

# **EXHIBIT A – Ernest Bastien Deposition Transcript and Exhibits**

# **EXHIBIT K**

**In Re:**

*Toyota Motor Corp (Unintended Acceleration)*

---

*Ernest Bastien*

*September 9, 2010*

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Ernest Bastien

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IN THE UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

IN RE: TOYOTA MOTOR : CASE NO.  
CORP. UNINTENDED : 8:10ML2151 JVS  
ACCELERATION, : (FMOx)  
MARKETING, SALES :  
PRACTICES, AND :  
PRODUCTS LIABILITY :  
LITIGATION :

- - -  
September 9, 2010  
- - -

Videotape deposition of ERNEST  
BASTIEN, held in the offices of  
JAMS, 500 N. State College Boulevard,  
14th Floor, Orange, California,  
commencing at 9:11 a.m., on the above  
date, before Linda L. Golkow, a  
Federally-Approved Registered Diplomat  
Reporter, Certified Shorthand Reporter  
and Certified Realtime Reporter.

- - -  
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Ernest Bastien

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Managing Counsel

5 ROBINSON CALCAGNIE & ROBINSON  
6 DIANA FOLIA  
ADAM MODRAS

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Ernest Bastien

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I N D E X

Testimony of: ERNEST BASTIEN

By Mr. Pitre	11
By Mr. Slavik	314

E X H I B I T S

NO.	DESCRIPTION	PAGE
Bastien-33	Plaintiffs' Notice of Video Deposition of Toyota 30(b)(6) Witness	9
Bastien-34	Document with logo em2 Everything Matters, containing handwritten notes, 1 page	23
Bastien-35	Document titled "Toyota Motor North America, Inc., Organization Chart as of March 31, 2010," with handwritten notes, 1 page	23
Bastien-36	Document entitled "U.S. and Canada (and other) Toyota Entities <as of May, 2008>," with handwritten notes, 1 page	24
Bastien-37	Document entitled "Toyota Regions & PD's," 1 page	26
Bastien-38	Group of documents, first page titled "Toyota Operations in the United States," 20 pages	27

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1	Bastien-39	Group of documents, first page	28
2		titled "United States	
3		Operations, 2009, Toyota," 8	
4		pages	
5	Bastien-40	Document entitled "Toyota	29
6		Motor North America, Inc.	
7		Organization Chart as of March	
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9	Bastien-41	Document entitled "U.S. and	30
10		Canada (and other) Toyota	
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12		page	
13	Bastien-42	Group of black and white	30
14		documents, first page heading	
15		Group: Everyone, Toyota Motor	
16		Sales, Date/Time: 08/03/2010	
17		11:01:17, 5 pages	
18	Bastien-43	Group of documents, first page	31
19		titled "Toyota Motor Sales,"	
20		13 pages	
21	Bastien-44	Colored map entitled "Lexus	32
22		Areas," 1 page	
23	Bastien-45	Document entitled "Toyota	33
24		Motor Sales," 1 page	
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(Whereupon, Deposition  
Exhibit Bastien-33, Plaintiffs'  
Notice of Video Deposition of  
Toyota 30(b)(6) Witness, was  
marked for identification.)  
- - -

THE VIDEOTAPE TECHNICIAN:  
Good morning. We're now on the  
record. My name is Casey Howell,  
videographer for Golkow  
Technologies.

Today's date is September 9,  
2010. The time is 9:11 a.m.

This video deposition is  
being held in Orange, California,  
in the matter of Toyota Motor  
Corporation Unintended  
Acceleration Marketing, Sales  
Practices and Products Liability  
Litigation in the United States  
District Court, Central District  
of California.

The deponent is Ernest  
Bastien.

1                   Would counsel please  
2                   identify themselves for the  
3                   record.

4                   MR. PITRE: Good morning.  
5                   Frank Pitre on behalf of the  
6                   plaintiff class.

7                   MR. ROBINSON: Mark Robinson  
8                   on behalf of the PI and wrongful  
9                   death plaintiffs.

10                  MR. SLAVIK: Don Slavik on  
11                  behalf of the PI and wrongful  
12                  death plaintiffs.

13                  MS. HASSELMAN: Lisa  
14                  Hasselman on behalf of the  
15                  plaintiffs class.

16                  MR. RINGLER: Jerry Ringler  
17                  on behalf of the plaintiffs class.

18                  MR. BAILEY: Ben Bailey,  
19                  plaintiffs class.

20                  MR. TURLEY: Bill Turley,  
21                  plaintiffs class.

22                  MR. WILLIS: Larry Willis,  
23                  representing defendant Bob Baker  
24                  Lexus as a defendant and  
25                  cross-complainant.

Ernest Bastien

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1 MR. BIORNSTAD: Shane

2 Biornstad also representing Bob

3 Baker.

4 MS. HANNA: Anne Hanna for

5 the defendant Toyota entities.

6 MS. DAWSON: Cari Dawson for

7 the Toyota defendants.

8 MR. ARYA: And John Arya for

9 the Toyota defendants.

10 THE VIDEOTAPE TECHNICIAN:

11 Thank you.

12 The court reporter is Linda

13 Golkow, and she will now

14 administer the oath.

15 - - -

16 ERNEST BASTIEN, after having

17 been duly sworn, was examined and

18 testified as follows:

19 - - -

20 EXAMINATION

21 - - -

22 BY MR. PITRE:

23 Q. Sir, can you please state

24 your full name for the record.

25 A. My name is Ernest Bastien.

1 Q. Are you a Toyota employee?

2 A. I'm an employee of Toyota  
3 Motor Sales.

4 Q. What is your title or  
5 position?

6 A. My title is vice president,  
7 retail market development.

8 Q. How long have you been with  
9 Toyota?

10 A. 28 years on September 13th.

11 Q. What is your current  
12 business address?

13 A. 19001 South Western Avenue,  
14 Torrance, California.

15 Q. Sir, you understand that  
16 you've been designated by Toyota to  
17 testify with regard to certain subject  
18 matters, correct?

19 A. Yes.

20 Q. Sir, if you'd be so kind,  
21 I've previously marked Exhibit 33. Have  
22 you ever seen that before?

23 A. Yes.

24 Q. Do you understand that you  
25 have been designated by Toyota to testify

1 regarding the matters identified on Page  
2 1?

3 A. Yes.

4 MS. DAWSON: Frank, let me  
5 just interject on the record here.  
6 As you and I discussed, and you  
7 are free to get to the questioning  
8 with the witness of more  
9 specifics, but there are three  
10 categories on Page 2 of Exhibit  
11 33, and I want to just go through  
12 those, because we discussed off  
13 the record, Mr. Bastien is not  
14 here to testify regarding all  
15 aspects of all three categories.

16 So, the first explanation I  
17 want to make clear on the record  
18 is that Mr. Bastien is an employee  
19 of Toyota Motor Sales, USA, Inc.,  
20 the shorthand of which is TMS.  
21 Therefore, his testimony will be  
22 focused on TMS and the North  
23 American entities.

24 We have previously provided  
25 to you, by my letter of Tuesday of



Ernest Bastien

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1           this week, dates for a Toyota  
2           Motor Corporation witness later in  
3           the month; therefore, there will  
4           be a second witness addressing TMC  
5           and questions regarding these  
6           three categories.

7           In addition, as we discussed  
8           previously, this witness is not  
9           designated to testify regarding  
10          the relationships between Toyota  
11          entities and their suppliers,  
12          another witness, the deposition  
13          date of which has not yet been  
14          scheduled, will address those  
15          issues.

16          And in addition, as we also  
17          corresponded earlier this week,  
18          pursuant to order number 5, this  
19          is a Phase I foundational  
20          deposition and, therefore, the  
21          scope of that deposition is as set  
22          forth in order number 5 to provide  
23          foundational information.

24                 That's it.

25                 MR. ARYA: One other thing,

1 Frank, is this may help you. We  
2 have some documents. You likely  
3 have all of these documents  
4 already, but these are documents  
5 that the witness is familiar with.  
6 And you are welcome to them in  
7 case you don't have them. If  
8 you'd like, you can make copies at  
9 a break or whatever works for you.

10 MR. PITRE: Very well.

11 Thank you.

12 BY MR. PITRE:

13 Q. With the clarifications that  
14 were articulated by counsel for Toyota,  
15 are you prepared to testify with regard  
16 to those subject areas?

17 A. Yes.

18 Q. And before we get into that,  
19 can you just give me a little background  
20 of your employment with Toyota over the  
21 last 28 years?

22 A. I started in Torrance,  
23 California, and my first assignment was a  
24 fleet field manager. I spent roughly  
25 four years in that role. My next

1 assignment was in Cincinnati, where I was  
2 the business management manager. My  
3 second job in the Cincinnati region was  
4 regional parts manager. And my last job  
5 was field operations manager.

6 After Cincinnati, I was  
7 transferred to our San Francisco regional  
8 office, assigned as the assistant general  
9 manager, spent roughly two years there.

10 I returned to Torrance as  
11 the national fleet sales manager. I held  
12 that position for roughly two years. My  
13 next assignment was national manager  
14 passenger car sales team. That was  
15 roughly a two-year assignment.

16 My next assignment was  
17 national sales administration manager. I  
18 reported directly to the vice president  
19 of sales. Spent roughly two years there.

20 My next assignment was the  
21 vehicle operations group.

22 My final position of the  
23 vehicle operations group was vice  
24 president.

25 Q. Could you say that one more

1 time, I apologize.

2 A. My final position in the  
3 vehicle operations group was vice  
4 president. I had two promotions in the  
5 role that I performed.

6 Roughly three-and-a-half  
7 years ago, I took my current assignment.

8 Q. And that is as vice  
9 president, retail market development?

10 A. Yes.

11 Q. Okay.

12 Sir, have you ever given a  
13 deposition before?

14 A. Yes.

15 Q. On roughly on how many  
16 occasions?

17 A. Probably seven or eight.

18 Q. Okay.

19 And on those seven or eight  
20 occasions, were they depositions where  
21 you were deposed on behalf of Toyota?

22 A. Yes.

23 Q. Were you ever deposed as an  
24 expert on behalf of Toyota?

25 A. I've been a 30(b)(6).

1 Q. On what subject area or  
2 areas?

3 A. In a class action suit, an  
4 ITC case and some product liability  
5 cases.

6 Q. Now, you used some terms,  
7 and for the record, ITC stands for what,  
8 sir?

9 A. International Trade  
10 Commission.

11 Q. Do you recall what subject  
12 area or areas that you were designated as  
13 a 30(b)(6) witness?

14 A. With regard to the marketing  
15 for hybrid vehicles.

16 Q. Any others?

17 A. With regard to marketing for  
18 other Toyota products.

19 Q. Which products?

20 A. Trucks.

21 Q. Any passenger car?

22 A. Camry.

23 Q. Any others?

24 A. I don't recall.

25 Q. You're familiar with what a

1 deposition is then, correct?

2 A. Yes.

3 Q. And you've had an  
4 opportunity to discuss with counsel the  
5 nature of today's proceedings being a  
6 deposition, correct?

7 A. Yes.

8 Q. So, you understand that  
9 today's testimony has the same force and  
10 effect as if you were testifying in a  
11 court of law, correct?

12 A. Yes.

13 Q. Now, if you don't hear or  
14 you don't understand one of my questions,  
15 just let me know, and I'll be happy to  
16 repeat or rephrase it so you understand  
17 it. Will you let me know on those  
18 occasions?

19 A. Yes.

20 Q. If you answer my question,  
21 I'm going to assume you've both heard and  
22 understood it. Do you understand that?

23 A. Yes.

24 Q. Answer just like you're  
25 doing with yeses and nos and avoid nods

1 or shakes of the head, as it is difficult  
2 for the court reporter to be able to  
3 interpret that. Do you understand that?

4 A. Yes.

5 MS. DAWSON: And, Frank,  
6 just one other thing. I think it  
7 would be easier for the deposition  
8 and definitely for the court  
9 reporter. Toyota obviously has a  
10 general term, and since we are  
11 talking about corporate structure,  
12 I would just request where you  
13 can to be specific in identifying  
14 whether or not you are talking  
15 about Toyota Motor Corporation,  
16 Toyota Motor Sales USA, whichever  
17 Toyota entity.

18 MR. PITRE: I will do my  
19 level best, and if I miss that,  
20 I'm sure Mr. Arya or you will let  
21 me know, or the witness will  
22 correct me. So, we'll both bear  
23 that in mind as we go forward.

24 BY MR. PITRE:

25 Q. Fair enough?

1 A. Yes.

2 Q. All right.

3 Now, when were you first  
4 notified that you were going to be  
5 designated as a 30(b)(6) witness to  
6 testify on the categories 1, 2 and 3 as  
7 reflected on Exhibit 33?

8 A. I don't recall the exact  
9 date, but roughly in the past 30 days.

10 Q. How were you notified?

11 A. I believe TMS attorneys  
12 contacted me and advised me I'd  
13 participate.

14 Q. And who contacted you?

15 A. Doug Bishop, as I recall.

16 Q. And after being contacted,  
17 can you explain to me what you did to  
18 prepare yourself to testify regarding the  
19 subject areas that we discussed?

20 A. We held three meetings and  
21 reviewed some organizational charts and  
22 some information on our website.

23 Q. Who did you meet with?

24 A. The attorneys present today,  
25 excluding Anne.



1 Q. Anyone other than the  
2 attorneys that are present here today?

3 A. There was one other. I'm  
4 sorry, I don't remember his last name.  
5 His first name was Vince.

6 Q. How much time have you  
7 spent, from the time you were first  
8 notified until the time you testified  
9 today, preparing to testify on the  
10 subject areas that we've discussed?

11 A. I don't know precisely, but  
12 roughly 12 hours.

13

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Ernest Bastien

25

1 Q. In terms of the documents  
2 that you reviewed, can you describe for  
3 me what documents that you reviewed to  
4 assist you in testifying here today?

5 A. Organizational charts.

6 Q. Anything else?

7 A. Some information that  
8 summarizes Toyota operations in North  
9 America.

10 Q. Anything else?

11 A. Nothing other than the  
12 plaintiffs' notice.

13 Q. Did you bring with you any  
14 materials to assist you in testifying  
15 here today regarding the organizational  
16 structure of TMS and its  
17 interrelationship with some of the other  
18 entities?

19 A. Yes.

20 Q. And are those the materials  
21 that you've placed -- that have been  
22 placed on the center of the table?

23 A. Yes.

24 Q. All right.

25 MR. PITRE: John, do you

1 have any extra copies of these or  
2 are these the only copies?

3 MR. ARYA: No. I have  
4 copies for us, so, you don't have  
5 to make copies for us. But to the  
6 extent you want to share it with  
7 everyone else in the room, we  
8 should make extra copies.

9 MR. PITRE: Okay. Let's  
10 just -- we'll mark them at this  
11 point and then we'll copy them  
12 later.

13 MR. ARYA: That's the only  
14 ones.

15 - - -  
16 (Whereupon, Deposition  
17 Exhibit Bastien-37, Document  
18 entitled "Toyota Regions & PD's,"  
19 1 page, was marked for  
20 identification.)

21 - - -  
22 MR. PITRE: So, at this  
23 point in time, let me have marked  
24 as Exhibit 37 what appears to be a  
25 map of the United States titled

1 "Toyota Regions & PD's."

2 BY MR. PITRE:

3 Q. Can you please tell me what  
4 is Exhibit 37?

5 A. This is a map of the United  
6 States that breaks out the different  
7 regions and private distributors for the  
8 Toyota division.

9 Q. Sir, you have also handed me  
10 a group of documents that on the first  
11 page say, "Toyota operations in the  
12 United States."

13 MR. PITRE: I'm marking that  
14 as Exhibit 38.

15 - - -

16 (Whereupon, Deposition  
17 Exhibit Bastien-38, Group of  
18 documents, first page titled  
19 "Toyota Operations in the United  
20 States," 20 pages, was marked for  
21 identification.)

22 - - -

23 BY MR. PITRE:

24 Q. Again, can you briefly tell  
25 me what Exhibit 38 is?

1           A.     Yes. It summarizes the  
2 various Toyota entities in North America.

3           Q.     Next you've handed me a  
4 group of documents that says "United  
5 States operations 2009, Toyota."

6           MR. PITRE: I'm marking that  
7 as Exhibit 39.

8                     - - -  
9                     (Whereupon, Deposition  
10 Exhibit Bastien-39, Group of  
11 documents, first page titled  
12 "United States Operations, 2009,  
13 Toyota," 8 pages, was marked for  
14 identification.)

15                     - - -

16 BY MR. PITRE:

17           Q.     And if you'd be so kind, if  
18 you could tell me what Exhibit 39 is.

19           A.     This is a complementary  
20 document for the other one that has  
21 additional information regarding Toyota  
22 operations throughout the United States  
23 and Canada and Mexico.

24           Q.     You've also handed me a  
25 group of documents that do not appear to

1 be bundled, but are on separate sheets.  
2 I'll mark those separately. The first  
3 one says "Toyota Motor North America Inc.  
4 as of March 31, 2010."

5 MR. PITRE: I'm marking that  
6 as Exhibit Number 40.

7 - - -  
8 (Whereupon, Deposition  
9 Exhibit Bastien-40, Document  
10 entitled "Toyota Motor North  
11 America, Inc. Organization Chart  
12 as of March 31, 2010," 1 page, was  
13 marked for identification.)

14 - - -

15 BY MR. PITRE:

16 Q. Sir, can you please tell me  
17 what Exhibit 40 is?

18 A. This is an organization  
19 chart that shows the relationship between  
20 the various entities in North America.

21 Q. You've also handed me a  
22 document that bears the legend at the top  
23 "US and Canada and other Toyota entities  
24 as of May 2008."

25 MR. PITRE: I'm marking that



1 as Exhibit 41.

2 - - -

3 (Whereupon, Deposition  
4 Exhibit Bastien-41, Document  
5 entitled "U.S. and Canada (and  
6 other) Toyota Entities  
7 <as of May, 2008>," 1 page, was  
8 marked for identification.)

9 - - -

10 BY MR. PITRE:

11 Q. And if you would be so kind  
12 to please tell me what that is.

13 A. It is a document that has  
14 additional details regarding the various  
15 entities in North America, including some  
16 of the subsidiaries.

17 Q. You have also given me a  
18 group of documents that are black and  
19 white. It appears to be five pages, and  
20 it says, "Toyota Motor Sales" at the top.

21 MR. PITRE: I'm marking that  
22 as Exhibit Number 42.

23 - - -

24 (Whereupon, Deposition  
25 Exhibit Bastien-42, Group of black

Ernest Bastien

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1 and white documents, first page  
2 heading Group: Everyone, Toyota  
3 Motor Sales, Date/Time: 08/03/2010  
4 11:01:17, 5 pages, was marked for  
5 identification.)

6 - - -

7 BY MR. PITRE:

8 Q. Sir, if you would be so kind  
9 to tell me what that is.

10 A. This is the org chart for  
11 Toyota Motor Sales that includes the  
12 chairman and CEO and his direct reports  
13 inside the organization.

14 Q. All right.

15 You've given me a second  
16 group of documents that bears at the top  
17 "Toyota Motor Sales," and it looks to be  
18 about a dozen pages.

19 - - -

20 (Whereupon, Deposition  
21 Exhibit Bastien-43, Group of  
22 documents, first page titled  
23 "Toyota Motor Sales," 13 pages,  
24 was marked for identification.)

25 - - -

1 BY MR. PITRE:

2 Q. I've marked that as Exhibit  
3 43. Can you tell me what that is?

4 A. These are organization  
5 charts that show the various group vice  
6 presidents inside the company and their  
7 direct reports.

8 Q. Again, you've handed me  
9 another colored map that says "Lexus  
10 areas."

11 MR. PITRE: I'm marking that  
12 as Exhibit Number 44.

13 - - -  
14 (Whereupon, Deposition  
15 Exhibit Bastien-44, Colored map  
16 entitled "Lexus Areas," 1 page,  
17 was marked for identification.)  
18 - - -

19 BY MR. PITRE:

20 Q. And would you please tell me  
21 what Exhibit 44 is.

22 A. We have four area offices  
23 for the Lexus division, and this map  
24 breaks them out by state.

25 Q. Last, sir, is a large

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1 document, it looks like about 11 and a  
2 half by 17, perhaps larger, that says  
3 "Toyota Motor Sales."

4 MR. PITRE: I've marked that  
5 as Exhibit 45.

6 - - -

7 (Whereupon, Deposition  
8 Exhibit Bastien-45, Document  
9 entitled "Toyota Motor Sales," 1  
10 page, was marked for  
11 identification.)

12 - - -

13 BY MR. PITRE:

14 Q. Can you tell me what that  
15 is?

16 A. This is a chart that shows  
17 the organization for Toyota Motor Sales  
18 that includes the chairman and CEO,  
19 president Jim Lentz and his direct -- Jim  
20 Lentz's direct reports.

21 Q. Thank you, sir.

22 Are there any other  
23 materials that you have either prepared  
24 or reviewed that you have not described  
25 for me already in anticipation of your

1 testimony today?

2 A. I have one explanation chart  
3 regarding some of the joint ventures  
4 between TMS and some of the ocean  
5 carriers.

6 MR. PITRE: If you'd be so  
7 kind, I'm going to mark that  
8 document as Exhibit 46.

9

10 (Whereupon, Deposition  
11 Exhibit Bastien-46, Document  
12 entitled "Limited Liability  
13 Companies, As of September 30,  
14 2008," 1 page, was marked for  
15 identification.)

16

17 BY MR. PITRE:

18 Q. And at the top it says  
19 "Limited Liability Companies."

20 Any other materials, sir,  
21 that you have reviewed and/or prepared to  
22 assist you in testifying here today?

23 A. No.

24 MR. PITRE: Can we go off  
25 the record one second.

1 THE VIDEOTAPE TECHNICIAN:

2 We're off the record. The time is  
3 9:33.

4 - - -

5 (Whereupon, a recess was  
6 taken from 9:33 a.m. until  
7 9:35 a.m.)

8 - - -

9 THE VIDEOTAPE TECHNICIAN:

10 We're on the record. The time is  
11 9:35.

12 BY MR. PITRE:

13 Q. Sir, just for the record,  
14 are you here prepared to testify in any  
15 regard concerning the relationship  
16 between Toyota Motor Sales and Toyota  
17 Motor Corporation?

18 A. As it pertains to activities  
19 inside TMS.

20 Q. And to the best of your  
21 knowledge, sir, what is Toyota Motor  
22 Corporation?

23 A. Toyota Motor Corporation is  
24 headquartered in Japan.

25 Q. What business does it

1 involve itself in?

2 A. It is primarily in the  
3 automotive transportation business. It  
4 also builds homes, portable homes, some  
5 other business activities.

6 Q. And what is the distinction  
7 between Toyota Motor Corporation and  
8 Toyota Motor Sales, to your knowledge?

9 A. Toyota Motor Sales is the  
10 sales and marketing arm for Toyota  
11 products in the United States, excluding  
12 Hawaii.

13 Q. Is it involved in any other  
14 activities in the United States besides  
15 sales and marketing?

16 MR. ARYA: Objection, vague,  
17 ambiguous.

18 You can answer if you think  
19 you know the answer.

20 THE WITNESS: It has  
21 relationships with two private  
22 distributors.

23 BY MR. PITRE:

24 Q. Anything else, sir?

25 A. It -- I'm sorry, you have my

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1 charts.

2 Q. Okay.

3 If you need to use the  
4 charts, we'll come back.

5 A. Okay.

6 I need the charts to make  
7 certain.

8 MR. ARYA: I have charts  
9 here if it would help you.

10 MR. PITRE: We'll come back  
11 to it.

12 THE WITNESS: I'm looking  
13 for the chart that has AirFlite.  
14 And some of the --

15 BY MR. PITRE:

16 Q. We'll come back to it.

17 A. Okay.

18 Q. Is there a segment or a  
19 division of Toyota Motor Sales that is  
20 involved with financial services?

21 A. There's a Toyota Financial  
22 Services Company, but it is not owned by  
23 TMS.

24 Q. Who, to your knowledge, owns  
25 Toyota Financial Services?



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1 A. Toyota Motor Corporation.

2 Q. Does Toyota Financial  
3 Services have offices in the United  
4 States?

5 A. Yes.

6 Q. Where?

7 A. Torrance, and it has  
8 multiple offices throughout the United  
9 States, including some customer service  
10 centers. And some other companies that  
11 might be located other places but have  
12 offices in Torrance as well.

13 Q. Is there a headquarters for  
14 Toyota Financial Services in the United  
15 States?

16 A. Yes, in Torrance.

17 Q. What business do you  
18 understand is conducted at the Torrance  
19 office for Toyota Financial Services?

20 A. They are involved in the  
21 financing and leasing of automotive  
22 products. They also offer extended  
23 service contracts and insurance.

24 Q. Is there a particular  
25 division that handles leasing for Toyota

1 vehicles within Toyota Financial  
2 Services?

3 A. There's a company  
4 responsible for the financing of leasing.  
5 The activity of leasing and financing is  
6 conducted by the Toyota Financial  
7 Services offices throughout the country.

8 Q. And how many different  
9 offices are there throughout the country?  
10 If you need your chart, just let me know.

11 A. I think I might have.

12 (Witness reviewing  
13 document.)

14 They have -- I'm sorry.  
15 They also offer financing for material  
16 handling, which is industrial equipment,  
17 and they have 30 dealer sales and service  
18 offices and three regional offices  
19 throughout the country.

20 Q. But their main office is  
21 here in Torrance, as I understand it?

22 A. Yes.

23 Q. Do they share office space  
24 with Toyota Motor Sales?

25 A. I'm not aware of any shared

1 office spaces.

2 Q. What is the address that  
3 Toyota Financial Services does business  
4 in Torrance?

5 A. It's 19001 South Western  
6 Avenue, Torrance.

7 Q. That appears to be the same  
8 address as Toyota Motor Sales USA, Inc.  
9 on your card; is that correct?

10 A. Yes.

11 Q. So, is it your understanding  
12 that Toyota Financial Services has  
13 offices at the same building as --

14 A. It's not the same building.

15 Q. Okay.  
16 Different building, same  
17 address?

18 A. I know where the building  
19 is. I'm not sure of the exact address  
20 for mailing. I'm working off the  
21 document that I brought.

22 Q. Okay.

23 I was a little confused. I  
24 think the address you gave me, 19001  
25 South Western Avenue, Torrance --

1 A. Yes.

2 Q. -- is that the same address  
3 as the address that appears on your card  
4 for Toyota Motor Sales?

5 A. Yes.

6 Q. Have you ever been involved  
7 in leasing vehicles in your experience  
8 with Toyota Motor Sales?

9 A. I'm not sure what you mean  
10 by "involvement."

11 Q. Have you ever had to sell a  
12 vehicle where there was a lease involved?

13 A. I've not been involved in  
14 direct leasing to consumers.

15 Q. Okay.  
16 How about leasing in fleet  
17 sales?

18 A. Not directly.

19 Q. Indirectly?

20 A. I've been involved in  
21 incentive support, and we've had special  
22 leases that were offered through our  
23 regional offices through Toyota Financial  
24 Services.

25 Q. Okay.

1 Are you familiar with the  
2 concept called residual leases?

3 A. I'm familiar with the  
4 concept residual.

5 Q. Have you ever been involved  
6 in that, directly or indirectly?

7 A. To a limited degree.

8 Q. Okay.

9 Does Toyota, as part of  
10 Toyota Financial Services, enter into  
11 arrangements where they guarantee the  
12 residual value of a lease?

13 MR. ARYA: Objection, vague,  
14 ambiguous.

15 You can answer if you  
16 understand the question.

17 THE WITNESS: The only case  
18 I'm aware of where that's been  
19 done was with the Prius when it  
20 was first launched.

21 BY MR. PITRE:

22 Q. Do you know whether Toyota  
23 Financial Services, as part of its  
24 business, insures the residual value of  
25 its leases?

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1 MS. DAWSON: Object to the  
2 form of the question. I also  
3 think, Frank, you're getting a  
4 little bit beyond the scope of  
5 this deposition.

6 MR. PITRE: Okay.

7 BY MR. PITRE:

8 Q. If you had to speak to  
9 somebody about Toyota's leasing  
10 activities, who, to the best of your  
11 knowledge, would you go to?

12 MR. ARYA: Objection, vague  
13 and ambiguous as to Toyota's  
14 leasing activities.

15 You can answer if you  
16 understand the question.

17 THE WITNESS: Someone in  
18 Toyota Financial Services.

19 BY MR. PITRE:

20 Q. Does Toyota Motor Sales  
21 involve itself in leasing activities?

22 A. I don't understand the  
23 question.

24 Q. Sure.  
25 Does Toyota assist dealers

1 with leasing of its vehicles? And by  
2 that I mean Toyota Motor Sales.

3 A. Toyota Motor Sales will  
4 partner with Toyota Financial Services  
5 and offer lease support usually in the  
6 form of rate support.

7 Q. And what division or  
8 department of Toyota Motor Sales is  
9 involved with that activity?

10 A. The incentives group.

11 Q. What?

12 A. The incentives group.

13 Q. Incentives group.

14 And where is that incentives  
15 group located?

16 A. Second floor of Toyota Motor  
17 Sales.

18 Q. In Torrance?

19 A. Yes.

20 Q. Who is the head of that  
21 group?

22 A. It is part of the marketing  
23 department. The individual that does a  
24 lot of the calculations is Blake  
25 Sturrock.

1 Q. How do you spell the last  
2 name?

3 A. S-T-U-R-R-O-C-K.

4 Q. So, if I had a chart in  
5 front of me, on top I would put the  
6 marketing group, and then right  
7 underneath it I'd have an incentives  
8 group?

9 A. Yes.

10 Q. Now, you said that they  
11 partnered with Toyota Financial Services.  
12 Do you know who at Toyota Financial  
13 Services is involved in that partnering  
14 arrangement for leases?

15 A. I don't know.

16 Q. But to the best of your  
17 knowledge, it would be somebody within  
18 TFS that's located here in Torrance?

19 A. Yes.

20 Q. Let's go back.

21 Is there a particular  
22 department or division within Toyota  
23 Motor Sales that is involved with sales  
24 activity different from marketing?

25 A. I don't understand the



1 question.

2 Q. What does Toyota Motor Sales  
3 do?

4 A. Toyota Motor Sales is  
5 involved in the sales and distribution  
6 and marketing of Toyota and Lexus and  
7 Scion products.

8 Q. Okay.  
9 You used three terms. You  
10 used sales, distribution and marketing,  
11 correct?

12 A. Yes.

13 Q. Is there a sales division  
14 within Toyota Motor Sales?

15 A. There's a division for  
16 Toyota.

17 Q. So, there's a Toyota sales  
18 division?

19 A. Yes.

20 Q. What vehicles does that  
21 entail?

22 A. The general manager for the  
23 Toyota division oversees Scion. I  
24 believe we have a chart here. He has a  
25 vice president of sales reporting to him,

1 the vice president of Scion, a vice  
2 president for customer retention. He has  
3 a vice president from one of our regional  
4 offices that reports directly to him, and  
5 he has a group vice president of  
6 marketing.

7 Q. So, at least in terms of the  
8 Toyota sales division, do I understand  
9 correctly that the marketing department  
10 falls under sales?

11 A. Yes.

12 Q. All right.

13 A. Well, he's the group vice  
14 president and general manager for the  
15 division. So, all the people that I just  
16 reviewed report directly to him, and  
17 those are functions within the Toyota  
18 division.

19 Q. Okay.

20 And you will have a chart  
21 that lays out who these individuals are?

22 A. Yes, yes.

23 Q. Perfect.

24 A. That's being copied for you  
25 right now.

1 Q. Thank you.

2 Now, is there a separate,  
3 what I want to call marketing division  
4 within Toyota, separate from what you  
5 have just described as part of a Toyota  
6 sales division?

7 A. There's -- the Lexus  
8 division has a vice president of  
9 marketing as well.

10 Q. Now, is that under the Lexus  
11 sales division?

12 A. Yes.

13 Q. So, if I'm looking at my  
14 organizational chart, I have Toyota sales  
15 division, which includes all the Toyota  
16 vehicles plus Scion?

17 A. Yes.

18 Q. And then I have various vice  
19 presidents of sales, vice president of  
20 Scion, vice president customer retention,  
21 vice president for the regional office,  
22 and a group VP for marketing. That was  
23 all under the Toyota sales division,  
24 correct?

25 A. Correct.

1 Q. And then if I move over to  
2 Lexus, there's a Lexus sales division,  
3 correct?

4 A. Correct.

5 Q. And under Lexis sales  
6 division, there's also a vice president  
7 of marketing. Have I got that right so  
8 far?

9 A. Yes.

10 Q. Any other, what I want to  
11 call groups or committees or divisions  
12 under Lexus sales?

13 A. There's the vice president  
14 of sales and dealer development.

15 Q. Anything else?

16 A. Vice president of Lexus  
17 customer services.

18 Q. Anything else?

19 A. There's a national manager  
20 for Lexus global integration.

21 Q. Okay.

22 Anything else?

23 A. No, not directly.

24 Q. Okay.

25 So, now within Toyota Motor

1 Sales you have defined for me a Toyota  
2 sales division and a Lexus sales  
3 division. Are there any other divisions  
4 within Toyota Motor Sales?

5 MS. DAWSON: Object to the  
6 form, vague and ambiguous.

7 THE WITNESS: There are  
8 other operating groups.

9 BY MR. PITRE:

10 Q. Okay.

11 And if I understand  
12 correctly, the president of Toyota Motor  
13 Sales is a James Lentz; is that correct?

14 A. Yes.

15 Q. And the vice president is a  
16 Bob Daly, D-A-L-Y; is that correct?

17 A. Bob's title is senior vice  
18 president.

19 Q. How do you spell the last  
20 name, sir?

21 A. Daly, D-A-L-Y.

22 Q. Okay.

23 And he's senior VP?

24 A. Correct.

25 Q. Now, is there a division

1 within Toyota Motor Sales with the  
2 acronym CAD?

3 A. Yes, the customer services  
4 division.

5 Q. Do you know what this CAD  
6 stands for?

7 A. I'm sorry, I don't recall at  
8 this particular time. It may come to me.

9 Q. What are the duties and  
10 responsibilities, as you understand it,  
11 of the customer service division?

12 A. I'm going to refer to my  
13 chart. There's dealer operations.  
14 There's product quality and service  
15 support. There's corporate accessories.  
16 There's customer relations. And there's  
17 what we refer to as NAPO, which is the  
18 parts operations and parts supply  
19 business.

20 Q. Any other subsections under  
21 customer service division?

22 A. No.

23 Q. All right.

24 We have our charts, so now  
25 we should be able to get through this

1 much quicker, so I appreciate it.

2 Do you have a chart amongst  
3 all of the charts, and I'm going to put  
4 them all back in front of you, the  
5 originals at least, that would help  
6 explain the Toyota Motor Sales  
7 organization and structure? Is there one  
8 or more of these -- those there? Here  
9 are the originals, so you can use those.

10 A. I would suggest using this  
11 one.

12 (Handing over document.)

13 Q. Okay.

14 And just for the record,  
15 that appears to be Exhibit Number 45?

16 A. 45.

17 Q. Let's see if we can put  
18 this, meaning Exhibit 45, on the Elmo so  
19 everybody can see it.

20 MR. PITRE: Evan, once you  
21 set up, if you can blow that up a  
22 little bit so we can -- great.

23 BY MR. PITRE:

24 Q. Okay.

25 Exhibit Number 45 has at the

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1 top the chairman and CEO. And what is  
2 his name, sir, for the record?

3 A. Yoshimi Inaba.

4 Q. And underneath, it says,  
5 "TMA Management Group." What is the TMA  
6 Management Group, sir?

7 A. Toyota Motor of America.

8 Q. And is that a group that's  
9 distinct and different from Toyota Motor  
10 Sales?

11 A. Yes.

12 Q. What does TMA do?

13 A. It is --

14 Q. Is there another chart that  
15 describes that?

16 A. Yes. Exhibit Number 35.

17 Q. Does that tell us what that  
18 group does?

19 A. Yes. It's the parent for --

20 Q. Let's see if we can get 35  
21 up on the screen for everybody.

22 A. It owns Toyota Motor Sales  
23 and TEMA.

24 Q. Okay.

25 Now, you used and introduced



1 a new term, TEMA, T-E-M-A. What is TEMA?

2 A. Toyota Engineering and  
3 Manufacturing.

4 Q. And what does Toyota  
5 Engineering and Manufacturing do?

6 A. They're involved in the  
7 North American manufacturing activities,  
8 and there's an organization, Toyota  
9 Technical Center, that includes some  
10 engineering functions.

11 Q. Okay.

12 Let's just stop with the  
13 three different entities that we've  
14 described so far. TMA, Toyota Motor  
15 America. You've indicated to me that its  
16 purpose, as you understand it, is that it  
17 owns Toyota Motor Sales and TEMA; is that  
18 correct?

19 A. Yes.

20 Q. Does it engage in any other  
21 activities?

22 A. It is involved in some  
23 public relations and philanthropic  
24 activities.

25 Q. What public relations

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1 activities?

2 A. It's handled out of the New  
3 York office. It's the holding company  
4 for Toyota US sales and manufacturing  
5 units, which we described. It has  
6 offices in Washington, D.C. and New York  
7 City. The functions include government  
8 and regulatory affairs, energy,  
9 environment, economic research,  
10 philanthropy and corporate  
11 communications, which is detailed in  
12 Exhibit 39.

13 Q. And just so we have that,  
14 let's just put this up on the screen.  
15 This is Exhibit Number 39.

16 At the top it says "United  
17 States Operations 2009." Is that  
18 referring to TMA?

19 MS. DAWSON: Object to the  
20 form of the question, vague and  
21 ambiguous.

22 THE WITNESS: It refers to  
23 the contents of the document.

24 BY MR. PITRE:

25 Q. Okay.

1           A.     Which is Toyota across the  
2     United States.

3           Q.     Okay.

4                     Next page says "Toyota  
5     Across the United States."

6                     What does that page refer  
7     to?

8           A.     There's a key underneath  
9     that that details the Toyota sales  
10    offices, Lexus and service offices, the  
11    financial services offices,  
12    manufacturing. There's also a  
13    designation for states where there are  
14    suppliers, there are holding companies, a  
15    research and development center, a design  
16    center and Hino operation or  
17    manufacturing facility.

18          Q.     Okay.

19                    Now, when this document says  
20    "Toyota Across the United States," is it  
21    referring to Toyota Motor Sales, Toyota  
22    North America, Toyota Motor America,  
23    what?

24                    MR. ARYA: Objection, vague,  
25    ambiguous, no foundation.

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1                   Go ahead and answer if you  
2                   can.

3                   THE WITNESS: In this case,  
4                   it refers to multiple entities,  
5                   including Toyota Motor Sales and  
6                   including TEMA. And since it also  
7                   includes the New York office,  
8                   Toyota Motor Corporation owns TMA.

9                   BY MR. PITRE:

10                  Q. All right.

11                   So, let's --

12                   For example, let's just take  
13                   the State of California on Page 2 of  
14                   Exhibit Number 39. If I'm looking at the  
15                   legend correctly, it says, "Toyota Sale  
16                   or Services Office," and I look at  
17                   California and I see one, two, three,  
18                   approximately four Toyota Sales and  
19                   Services offices located in California;  
20                   is that correct?

21                   MR. ARYA: I'm going to  
22                   object. The document speaks for  
23                   itself. I think there's five,  
24                   actually.

25                   THE WITNESS: There's also a

1           Lexus office.

2           BY MR. PITRE:

3           Q.     So, if I include Lexus, is  
4           it your understanding, now having looked  
5           at what's in front of you as Page 2 of 39  
6           refreshing your recollection, is it your  
7           testimony, sir, that there are four  
8           Toyota Sales and Service offices in  
9           California and one Lexus?

10           MR. ARYA: The document  
11           speaks for itself. No foundation.  
12           Go ahead and answer if you  
13           know.

14           THE WITNESS: There's five  
15           Toyota and one Lexus.

16           BY MR. PITRE:

17           Q.     All right.  
18           In California, correct?

19           A.     Yes.

20           Q.     Then if I look at the legend  
21           with the dollar sign, that's a financial  
22           service office, correct?

23           A.     Yes.

24           Q.     And it looks like there is  
25           one financial service office in

1 California; is that correct?

2 A. Umm.

3 Q. Or two, I should say. One  
4 down, it looks like in southern  
5 California and one in northern  
6 California; is that correct?

7 A. I see two.

8 Q. Is that correct?

9 A. Yes.

10 Q. And that's your  
11 understanding based on your review of  
12 this document?

13 A. Yes.

14 Q. One is in Torrance. Where  
15 is the other one?

16 A. I'm not 100 percent sure.  
17 It used to be Walnut Creek.

18 Q. And just based on what  
19 you've told me before, Toyota Sales and  
20 Service, that falls within the umbrella  
21 of Toyota Motor Sales; is that correct?

22 A. Toyota Sales and Service  
23 does fall under Toyota Motor Sales.

24 Q. All right.

25 And Toyota Financial

1 Services you've previously described.

2 Then you have as the next  
3 legend, I'm going over to the second  
4 column at the top, manufacturing  
5 facilities. It appears, looking at this  
6 document, that there are two  
7 manufacturing facilities identified in  
8 the state of California. Does that  
9 comport with your memory and  
10 understanding?

11 A. There's an update to this.  
12 The northern California represents NUMMI,  
13 which has subsequently closed down since  
14 this report was published.

15 Q. And is there a new joint  
16 venture that Toyota is involved with  
17 involving Tesla?

18 A. I understand there is.

19 Q. And to your knowledge, has  
20 that plant opened yet under that new  
21 arrangement?

22 A. I don't know.

23 Q. Okay.

24 Is it your understanding  
25 there is an arrangement, though, to have

1 that manufacturing plant reopened as a  
2 joint venture between Toyota and Tesla?  
3 Is that correct?

4 MR. ARYA: Objection, no  
5 foundation.

6 You can answer if you know.

7 THE WITNESS: I only know  
8 what I've seen published in the  
9 media.

10 BY MR. PITRE:

11 Q. Okay.

12 When was it closed?

13 A. I don't recall specifically.  
14 I believe it was April, but I'm not  
15 positive.

16 Q. April of this year, correct?

17 A. Yes.

18 Q. Prior to that time, it had  
19 operated as a Toyota joint venture with  
20 General Motors, correct?

21 A. It was a joint venture  
22 between Toyota Motor Corporation and  
23 General Motors.

24 Q. Okay.

25 And that was operating in



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1 California for some time, correct?

2 A. Yes.

3 Q. There's another  
4 manufacturing facility also located in  
5 California in southern California,  
6 correct?

7 A. Yes.

8 Q. And is that still in  
9 existence?

10 A. Yes. That refers to Toyota  
11 Auto Body and is detailed, I believe, in  
12 one of these documents. It's detailed in  
13 this document, and there's probably a  
14 reference in the one we're working off  
15 now, but 38, I'm sorry, there aren't  
16 pages, but TABC, Inc. is located in Long  
17 Beach, California. That was the first  
18 North American manufacturing plant.

19 Q. And it is referred to as  
20 TABC, Inc.?

21 A. Yes.

22 Q. And what business or what  
23 vehicles are manufactured at TABC, Inc.?

24 A. TABC, Inc. is a subsidiary  
25 of TEMA. It produces sheet metal

1 components, steering columns, catalytic  
2 converters, coated catalytic substrates,  
3 weld sub-assemblies for Toyota's North  
4 American manufacturing facilities and for  
5 export to Japan.

6 Q. Can you please tell me, is  
7 that part of Exhibit 39 that you are  
8 referring to?

9 A. Actually, 38 in this case is  
10 what I'm working from.

11 Q. Exhibit 38?

12 A. Yes.

13 Q. And how many pages in are  
14 you when you just referred to that?

15 A. It is towards the back. It  
16 is about two-thirds in. There's not a  
17 page number.

18 Q. Going back to Exhibit Number  
19 39, Page 2, if you'd be so kind. You  
20 were talking about manufacturing  
21 facilities in California, and we've  
22 talked about two.

23 Going down my little legend  
24 here, there also appears to be a research  
25 and development center in California; is

1 that correct, sir?

2 A. There's an office there  
3 that's part of TEMA.

4 Q. That's an office, and where  
5 is that office located, to the best of  
6 your knowledge?

7 A. I'm sorry, I'm going to  
8 correct myself. I believe that refers to  
9 Calty Design.

10 Q. Calty Design?

11 A. Yeah.

12 Q. And what business is carried  
13 on at Calty Design?

14 A. It is a styling studio.

15 Q. And where is that particular  
16 design center located or office?

17 A. Newport Beach.

18 I'm sorry. I see that  
19 referred to separately here as the light  
20 bulb. So, the design center is Newport,  
21 Calty.

22 Q. Okay.

23 A. And I was correct the first  
24 time when I said that it was an office  
25 for TEMA, the research and design center.

1 I apologize.

2 Q. That's okay.

3 So, just to clarify this,  
4 the light bulb refers to the design  
5 Calty?

6 A. That's Calty.

7 Q. All right.

8 And that's located in  
9 California at Newport Beach, correct?

10 A. Newport Beach.

11 Q. Then you have another legend  
12 for research and the development center,  
13 which you said was an office. That is  
14 also located in southern California,  
15 correct?

16 A. Yes.

17 Q. What business or activity  
18 goes on there at the research and design  
19 office -- excuse me, research and  
20 development office?

21 A. I'm not exactly sure of the  
22 full activities there.

23 Q. Do you know whether any  
24 research on brake override systems is  
25 conducted there?

1 A. I don't.

2 Q. Do you know whether any  
3 research on electronic throttle control  
4 systems is done there?

5 A. I don't.

6 Q. Do you know who is in charge  
7 of that particular office?

8 A. I know that it is part of  
9 the TEMA office and it reports to the  
10 Kentucky office, maybe through the Ann  
11 Arbor office.

12 Q. There is another, looking at  
13 this legend again, focusing in on  
14 California, there is a Hino operation or  
15 manufacturing facility that looks like it  
16 is also located in southern California;  
17 is that correct?

18 A. Yes.

19 Q. And what is the relationship  
20 between the Hino operation and  
21 manufacturing facility and Toyota?

22 MS. DAWSON: Object to form.

23 BY MR. PITRE:

24 Q. And here I'm using it  
25 broadly.

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1 MS. DAWSON: Object to the  
2 form of the question. It is  
3 beyond the scope of the notice as  
4 stated. The witness is not  
5 designated to testify regarding  
6 supplier relationships.

7 MR. PITRE: I understand.

8 BY MR. PITRE:

9 Q. Help me out, sir. You  
10 brought this document with you, and I  
11 guess you spent some time. But when it  
12 says "Toyota Across the United States"  
13 and it says "Hino Operation or  
14 Manufacturing Facility," do you know what  
15 relationship Hino has with Toyota?

16 A. I'll refer to the document  
17 that you have further back.

18 Q. Okay.

19 Same document, 39?

20 A. Same document. I'm sorry.  
21 I don't have a page number.

22 Q. Let's just see if we can  
23 count how many pages back.

24 A. On the fourth one back.

25 Q. Can you hold it up for us so

1 I can take a look at it?

2 A. Sure.

3 (Witness complies.)

4 Q. Okay.

5 What does it say at the top?

6 A. The "Manufacturing and  
7 Engineering," and the first one at the  
8 top is "Toyota Motor Engineering &  
9 Manufacturing North America."

10 Q. Okay.

11 So, we are still within  
12 Exhibit 39, and we are at the document at  
13 the top that says "Manufacturing and  
14 Engineering," correct?

15 A. Yes.

16 Q. And then how far down are  
17 you on that same document?

18 A. Four up from the bottom.

19 Q. Okay.

20 "Hino Motors Manufacturing  
21 USA," and it says, at least over on the  
22 right-hand corner, "A consolidated  
23 subsidiary of Toyota."

24 Is that your understanding,  
25 sir?

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1           A.     My understanding is that  
2           would be Toyota Motor Corporation.

3           Q.     Okay.

4                     And apparently it's  
5           described as being involved in  
6           manufacturing activities involving  
7           assemblies of trucks; is that correct?

8           A.     Yes.

9           Q.     All right.

10          A.     Those would be medium duty  
11          trucks.

12          Q.     So, in terms of California,  
13          have we now covered all the activities  
14          that are at least identified on Page 2,  
15          Exhibit 39, where Toyota Motor Sales,  
16          TEMA, TMA, and in the last instance,  
17          Toyota Motor Corporation, are involved?

18                     MS. DAWSON: Object to the  
19                     form of the question. It's vague  
20                     and ambiguous.

21                     THE WITNESS: I believe so,  
22                     according to the chart.

23          BY MR. PITRE:

24          Q.     Okay.

25                     Again, going back,



1 organizationally. We got sidetracked  
2 with TMA. And you talked about TMA, and  
3 you indicated that it's a holding  
4 company, that it owns Toyota Motor Sales.  
5 It also owns TEMA. And then you  
6 mentioned the fact that it is involved in  
7 public relations out of the New York  
8 office; is that correct?

9 A. Yes.

10 Q. Now, in terms of public  
11 relations, when you used that term, what  
12 did you mean "public relations," as it  
13 referred to TMA?

14 A. There's philanthropy.

15 Q. Anything other than  
16 philanthropy?

17 A. Well, government and  
18 regulatory affairs.

19 Q. Okay. Now, let's stop  
20 there.

21 When you say "government  
22 regulatory affairs," what do you mean by  
23 that term?

24 A. The New York office and  
25 Washington, D.C. office work with the

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1 various government agencies that are  
2 involved in the automobile business.

3 Q. Does that include lobbying  
4 efforts, to the best of your knowledge?

5 A. I don't know.

6 Q. To your knowledge, was TEMA  
7 involved most recently with investigating  
8 sudden acceleration events on behalf of  
9 Toyota?

10 MR. ARYA: Objection, vague  
11 and ambiguous as to the use of  
12 TEMA, in this instance.

13 MR. PITRE: I apologize, I  
14 misspoke. That's my fault.

15 BY MR. PITRE:

16 Q. Based on your knowledge, was  
17 TMA involved in discussing with NHTSA  
18 incidents of sudden acceleration?

19 MS. DAWSON: Object to the  
20 form of the question. It's  
21 outside the scope of this witness'  
22 designations as a 30(b)(6).

23 THE WITNESS: I don't have  
24 personal knowledge of that.

25 BY MR. PITRE:

1 Q. Okay.

2 Who then is the head of TMA,  
3 as you understand it?

4 A. Mr. Inaba.

5 Q. And can you spell that for  
6 me, kindly?

7 A. I-N-A-B-A.

8 Q. What is Mr. Inaba's title or  
9 position with TMA? And if you have a  
10 chart that would list the hierarchy of  
11 TMA, that would be much appreciated.

12 A. I don't, other than Mr.  
13 Inaba, and he's on Exhibit 45.

14 Q. Okay.

15 And let's just put that up.  
16 Can we just have Exhibit 45?

17 Now, Mr. Inaba, this is kind  
18 of where we started on Exhibit 45.  
19 Toyota Motor Sales with Mr. Inaba's name  
20 as chairman and CEO of Toyota Motor  
21 Sales, and also being part of the TMA  
22 Management Group, correct?

23 A. Yes, sir.

24 Q. Who else besides Mr. Inaba  
25 do you understand is part of the TMA

1 Management Group?

2 A. Dian Ogilvie.

3 Q. And Dian, and spell Ms.  
4 Ogilvie's name, if you'd be so kind.

5 A. Okay. I'm not 100 percent  
6 sure, so it is D-I-A-N, O-G-I --  
7 O-G-L-I-V-Y.

8 Q. And to the best of your  
9 knowledge, does Ms. Ogilvie also work for  
10 other Toyota entities, Toyota Motor  
11 Sales, TEMA, Toyota Motor Corporation?

12 MR. ARYA: Objection, vague,  
13 as to what you mean by "work for,"  
14 but you can go ahead and answer  
15 it.

16 THE WITNESS: Not that I'm  
17 aware of.

18 BY MR. PITRE:

19 Q. Okay.

20 So, now, where is Mr. Inaba  
21 located, to the best of your knowledge?

22 A. He works out of the Torrance  
23 office and the New York office.

24 Q. And where is the New York  
25 office, sir?

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1           A.     It is in Manhattan. I don't  
2 have the exact address.

3           Q.     All right.

4                     And where does Ms. Ogilvie  
5 work, what office?

6           A.     Manhattan.

7           Q.     Is there a main office for  
8 TMA Management Group?

9           A.     I'm sorry, TMA, the New York  
10 office.

11          Q.     And is that, to the best of  
12 your knowledge, where all documents  
13 concerning the activities of TMA are  
14 maintained?

15          A.     I don't know.

16          Q.     To your knowledge, does the  
17 TMA Management Group conduct regular  
18 meetings?

19          A.     I'm not involved. I don't  
20 know.

21          Q.     To your knowledge, is there  
22 an organizational chart that would  
23 describe who is part of the TMA  
24 Management Group?

25          A.     I think there is, but I

1 don't have it.

2 Q. Do you know who the person  
3 who is the custodian of all records for  
4 the TMA Management Group is?

5 A. I don't know.

6 Q. If you would be so kind,  
7 there may be a document that may be able  
8 to assist us in understanding TMA a  
9 little better.

10 A. Okay.

11 Q. And if you would be kind  
12 enough to go to Exhibit 40.

13 MR. PITRE: If you would put  
14 Exhibit 40 up, please.

15 Can you focus that?

16 BY MR. PITRE:

17 Q. This is a chart, Exhibit 40  
18 that at the top says "Toyota Motor North  
19 America Inc."

20 Is that different from TMA?

21 A. I'm sorry. I don't know the  
22 explanation for that.

23 Q. Do you know what Toyota  
24 North America is?

25 A. We used to refer to the New

1 York office as Toyota Motor North  
2 America. So, I don't know what that's  
3 referring to on this chart.

4 Q. Based on your experience in  
5 having worked for Toyota Motor Sales for  
6 some 28 years, what was your  
7 understanding of what Toyota North  
8 America was?

9 A. Prior to the --

10 MS. DAWSON: Object to the  
11 form of the question. I just want  
12 to make sure I'm clear. You are  
13 saying Toyota North America versus  
14 Toyota Motor North America?

15 MR. PITRE: Well, okay.  
16 Here's what I'm trying to do.

17 MS. DAWSON: Okay.

18 BY MR. PITRE:

19 Q. We have seen a designation  
20 on materials called TMA; is that correct,  
21 sir?

22 A. Yes.

23 Q. And we've seen at least  
24 something that's called, you said a TMA  
25 group. Now we're looking at Exhibit 40,

1 and at the top it says "Toyota Motor  
2 North America, Inc."

3 My first foundational  
4 question to you was, sir, do you know  
5 whether Toyota Motor North America, Inc.  
6 is the same as TMA? And I believe your  
7 answer was you don't know.

8 Have you seen anything to  
9 refresh your memory since the last set of  
10 questions?

11 A. Again, Toyota Motor North  
12 America is referenced in this document,  
13 which was -- we were working off of.

14 Q. Exhibit 39?

15 A. Can I see the front, please?

16 Q. (Indicating.)

17 A. Yes.

18 Q. Okay.

19 So, I'm on Exhibit 39, and  
20 now we're going over to what page or  
21 pages, sir?

22 A. Fifth one.

23 Q. Let's see if we can't help  
24 you out. Look at Exhibit 41, sir.

25 A. Okay.



1 Q. Sir, I've placed before you  
2 Exhibit 41. Now, what is Exhibit 41 for  
3 us?

4 A. It's another chart that I  
5 already previously described as a  
6 complementary chart to the organization  
7 for North America.

8 Q. All right.

9 Now, at least on this chart  
10 that you brought with you, there on the  
11 left-hand column are the initials TMA?

12 A. Yes.

13 Q. Correct?

14 A. Yes.

15 Q. And then right next to it it  
16 says "Toyota Motor North America, Inc.,"  
17 correct?

18 A. Right.

19 Q. Now, does this help refresh  
20 your memory that TMA and Toyota Motor  
21 North America, Inc. are one and the same?

22 A. Based on these documents and  
23 the fact that I had already mentioned  
24 that we referred to the New York office  
25 as Toyota Motor North America, I would

1 say yes.

2 Q. All right.

3 MS. DAWSON: Frank, you've  
4 been going for about an hour.

5 MR. PITRE: Sure. Take a  
6 break, yeah. What I'm going to  
7 try to do is, in the break, I'm  
8 going to see if I can't get some  
9 of these things numbered so we  
10 have pages, and that might help us  
11 in referring to things. Okay?  
12 So, give me about ten minutes.

13 THE VIDEOTAPE TECHNICIAN:  
14 We're off the record. The time is  
15 10:21.

16 - - -  
17 (Whereupon, a recess was  
18 taken from 10:21 a.m. until  
19 10:44 a.m.)

20 - - -  
21 THE VIDEOTAPE TECHNICIAN:  
22 We're on the record. The time is  
23 10:44.

24 BY MR. PITRE:

25 Q. Sir, we're just back from a

1 break, and I've placed before you Exhibit  
2 35. Do you have that in front of you,  
3 sir?

4 A. I do.

5 Q. Now, you've previously  
6 described this as a chart that you had  
7 reviewed and made some handwritten notes  
8 on; is that correct, sir?

9 A. I did.

10 Q. And is the handwriting  
11 reflected on Exhibit 35 all your  
12 handwriting?

13 A. Yes.

14 Q. And you had an opportunity  
15 to review this chart before you came here  
16 to testify; is that true?

17 A. Yes.

18 Q. Now, at the very top it says  
19 "Toyota Motor North America, Inc.  
20 Organization Chart As of March 31, 2010."

21 Did I read that accurately?

22 A. Yes.

23 Q. Now, over on the left-hand  
24 side, there is a legend. Do you see  
25 that, sir?

1 A. Yes.

2 Q. It says, "Entities included  
3 in TMA combined financials."

4 Do you see that?

5 A. I do.

6 Q. And it appears to have some  
7 dark lines around that, correct?

8 A. Yes.

9 Q. Now, below that there appear  
10 to be some boxes with dark lines, and the  
11 first one I see, left-hand side, is an  
12 entity that has the acronym CAPTIN. Do  
13 you see that, sir?

14 A. Yes.

15 Q. What is CAPTIN?

16 A. It is a manufacturing  
17 facility in Canada that builds wheels.

18 Q. Do you know what CAPTIN  
19 stands for?

20 A. It is Canadian Auto Parts  
21 Toyota, Inc.

22 Q. And is it your understanding  
23 from this chart that Toyota Motor North  
24 America owns 100 percent of that Canadian  
25 group?

1 A. I don't know for sure.

2 Q. Do you know what the number  
3 100 percent under CAPTIN means?

4 A. I don't, because the line  
5 intersects above TMA and appears to refer  
6 to TMC, but I do see the note that they  
7 are "Combined TMA financials." So, I  
8 don't know.

9 Q. So, at least from looking at  
10 this document, you are confused as to  
11 whether CAPTIN is part of TMA or TMC?

12 A. I'm not 100 percent sure.

13 Q. All right.

14 But you would agree with me  
15 that at least the bold line on this  
16 document refers to an entity that is  
17 included in a TMA combined financial?

18 A. Excuse me. Yes.

19 Q. All right.

20 And, again, TMA stands for  
21 Toyota Motor North America Inc., correct?

22 A. Yes.

23 Q. All right.

24 Then I go over to the next  
25 box, and there is an acronym TMMC. Do

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1 you see that, sir?

2 A. I do.

3 Q. What does TMMC stand for?

4 A. Toyota Motor Manufacturing  
5 Canada Inc.

6 Q. What business or activity  
7 does TMMC perform?

8 A. There are two manufacturing  
9 facilities, one in Cambridge and one in  
10 Woodstock, Ontario.

11 Q. Did you say Ontario, sir?

12 A. Ontario, Canada.

13 Q. And you understand them to  
14 be manufacturing facilities?

15 A. Yes.

16 Q. And are you coming to that  
17 from reviewing another document that you  
18 have?

19 A. I am.

20 Q. And what exhibit number  
21 would that be, sir?

22 A. It's -- sorry. It's 39.

23 Q. Exhibit 39.

24 And can you just hold up the  
25 page so we can see what you are referring

1 to?

2 A. Toyota in Canada.

3 (Indicating.)

4 Q. Where it refers to "Toyota  
5 in Canada" on Exhibit 39; is that  
6 correct, sir?

7 A. Yes.

8 Q. Thank you. All right.

9 Now, going over across, we  
10 see a line that says, again, in the same  
11 bold box "TMA." Again, that's Toyota  
12 Motor North America, correct?

13 A. Yes.

14 Q. And then going across, there  
15 is another bold box with the acronym  
16 TDPR. What does that refer to, sir?

17 A. That's Toyota Puerto Rico.

18 Q. And what activities does  
19 Toyota Puerto Rico conduct?

20 A. The sale and distribution of  
21 Toyota vehicles and Lexus vehicles.

22 Q. And to your knowledge, is  
23 that a subsidiary of Toyota Motor North  
24 America?

25 A. It's complicated, and I'm

1 not sure I can describe the exact nature.  
2 At one time, TMC managed Toyota Puerto  
3 Rico directly as a distributor. And at  
4 some point in the not too distant past,  
5 TMS became responsible to manage it. And  
6 so you see there's the 100 percent  
7 preferred stock for Puerto Rico, and,  
8 again, I'm not sure how to interpret the  
9 line which goes to TMC, but also TMS has  
10 some ownership with common stock, if  
11 you'd look down below where it --

12 MR. ARYA: I'm sorry, you  
13 said what? Say that again.

14 THE WITNESS: TMS has some  
15 ownership of common stock.

16 BY MR. PITRE:

17 Q. In Toyota Puerto Rico?

18 A. Right. And the distribution  
19 or the values, I don't know.

20 Q. Is TMS still involved in  
21 managing Toyota Puerto Rico?

22 A. Yes.

23 Q. What management activities  
24 does TMS perform for Toyota Puerto Rico?

25 A. We provide support activity



1 for distribution and planning. We  
2 provide consulting in terms of brand  
3 image. There's an office down there  
4 that's primarily responsible for the  
5 relationships with the dealers and the  
6 day-to-day activities.

7 Q. Any other services performed  
8 by TMS that you can recall?

9 A. Not that I'm aware of.

10 Q. Going back to CAPTIN for a  
11 second. Does Toyota Motor Sales perform  
12 any services for what I'll call CAPTIN?

13 A. Not that I'm aware of.

14 Q. Does Toyota Motor Sales  
15 perform any services for TMMC?

16 A. Toyota Motor Sales  
17 distributes vehicles built at TMMC.

18 Q. What kind of relationship?  
19 When you say they distribute vehicles,  
20 what do they do?

21 A. We schedule production with  
22 them, purchase the vehicles and  
23 redistribute them to Toyota dealers in  
24 the United States.

25 Q. Does TMS do that directly

1 with TMMC or does it deal with TMMC  
2 through an intermediary or distributor?

3 A. I don't know that detail.

4 Q. Who within TMS would know  
5 that detail?

6 MR. ARYA: No foundation.

7 Calls for speculation.

8 You can answer if you know  
9 the answer.

10 THE WITNESS: Given that  
11 it's financial in nature, perhaps  
12 somebody in finance.

13 BY MR. PITRE:

14 Q. When you say "in finance,"  
15 is that somebody in a finance division or  
16 department of TMS?

17 A. Yes.

18 Q. So, there is a finance  
19 department within TMS which is different  
20 from finance or financial services  
21 performed by TFS, Toyota Financial  
22 Services; is that true?

23 A. Correct.

24 Q. Now, I'm going down the  
25 organizational structure, and just before

1 I go down to the next line, there is a  
2 square that is not in a bold box, NUMMI.  
3 You have talked about NUMMI before,  
4 correct?

5 A. Yes.

6 Q. Does TMS provide any  
7 services, to the best of your knowledge,  
8 for NUMMI while NUMMI was in existence?

9 A. Toyota Logistic Services had  
10 a yard there. So, once the vehicles  
11 exited the yard, they would be staged for  
12 distribution there.

13 Q. What is Toyota Logistic  
14 Services?

15 A. It is a logistics company.  
16 It is on the left-hand side of that  
17 chart, the far left-hand side, below TMS  
18 under "US Subsidiaries," second box down.

19 Q. TLS?

20 A. TLS.

21

■

■

■

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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]







[REDACTED]

6 Q. What document?

7 A. 39.

8 Q. And you're referring to  
9 Exhibit 39, and you're referring to Page  
10 3; is that right?

11 A. Page 5.

12 Q. Page 5.

13 That falls under the  
14 number -- falls under the category  
15 "Toyota Motor North America." Is that  
16 the one you're referring to?

17 A. Yes. So it shows both  
18 offices with an employment of 100 on the  
19 far right.

20 Q. I see.

21 Offices in New York City and  
22 Washington, D.C.?

23 A. Correct.

24 Q. Now, right next to it on  
25 that same page, it looks like Toyota

1 Motor North America was first established  
2 in 1996; is that correct?

3 A. I'm sorry. I can't say for  
4 sure. The New York office existed prior  
5 to that time.

6 Q. So, based on at least this  
7 chart, it is your understanding that  
8 Toyota Motor Sales had been in existence  
9 since about, what, 1957?

10 A. Over 50 years ago, yes.

11 Q. 1957.

12 And in 1957, the only  
13 organization that existed in the U.S., to  
14 your knowledge, based on your experience,  
15 was Toyota Motor Sales, correct?

16 A. In 19 --

17 MS. DAWSON: Object to the  
18 form of the question, lack of  
19 foundation.

20 MR. ARYA: Objection. And  
21 that it misstates prior testimony.

22 BY MR. PITRE: Let me  
23 rephrase. I agree. Bad question.

24 BY MR. PITRE:

25 Q. In 1957, in terms of sales,

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1 marketing, distribution, are you aware of  
2 any other Toyota entities that were  
3 involved in those activities in the  
4 United States or in North America?

5 MS. DAWSON: Object to the  
6 form of the question.

7 THE WITNESS: I have no  
8 understanding of what the  
9 organization looked like in 1957.

10 BY MR. PITRE:

11 Q. When you first joined, it  
12 would have been, what, about 1980?

13 A. '82.

14 Q. All right.

15 In 1982, there was a Toyota  
16 Motor Sales clearly. You were employed  
17 by them, right?

18 A. Yes.

19 Q. Was there a Toyota North  
20 America?

21 A. At some time during the  
22 first four years I was employed by the  
23 company, I had an occasion to visit the  
24 New York office, which, at that time, we  
25 referred to as Toyota North America. So,

3 Q. Other than Mr. Inaba, who  
4 else would know about Toyota Motor North  
5 America Inc.?

[illegible]

[REDACTED]

12                   So now I'm going down back  
13 on Exhibit 35. Do you have that in front  
14 of you, sir?

15           A.     Okay. Yes.

16           Q.     Right under TMA, there is a  
17 little line in a bold box called TMPS.  
18 What does TMPS stand for?

19           A.     Toyota Motor Personnel  
20 Services.

21           Q.     What do they do?

22           A.     It is an office in Fremont,  
23 California that supported the immigration  
24 activities for TMC associates that came  
25 to work at the production facilities.

1 Q. When you say it "supported  
2 the immigration activities," what does  
3 that mean in layman's terms?

4 A. They provided support to  
5 make sure these people had the  
6 appropriate documents to come work in the  
7 United States.

8 Q. So, these would be foreign  
9 laborers who would come and work in the  
10 Fremont plant?

11 A. No, I believe it is more  
12 broad than just the Fremont plant. They  
13 happen to be headquartered there, but the  
14 TMC provides a strong contingent of  
15 manufacturing assistance people.

16 Q. So, if I understand this  
17 correctly, the headquarters for TMPS was  
18 in Fremont, California?

19 A. That's my understanding.

20 Q. And the services included  
21 making sure that people from Mexico who  
22 desired to work in Toyota manufacturing  
23 plants would have the correct legal  
24 documentation to do so?

25 A. No. I'm sorry if that



3	Q.	Japanese.
---	----	-----------

5                   A.       -- who trained managers and  
6       experts to come work at the manufacturing  
7       facilities.

[REDACTED]

23 Q. Okay.

24 So now let's go down over to

25 the left-hand side, and there's a box

1 that says "TMS."

2 Do you see that, sir?

3 A. Yes.

4 Q. That refers to Toyota Motor  
5 Sales, correct?

6 A. Yes, it does.

7 Q. Now there's an asterisk by  
8 that. Do you know what the asterisk  
9 designates?

10 A. I don't.

11 Q. If I look down at the box at  
12 the bottom, there's a little box that  
13 says "Entities which have an IFEM  
14 submission."

15 Do you see that, sir?

16 A. I do.

17 Q. What is an IFEM submission?

18 A. I'm sorry. I wasn't able to  
19 determine that.

20 Q. Do you know who prepared  
21 this chart?

22 A. I don't.

23 Q. Do you know what department  
24 it came from?

25 A. I don't.

1 Q. In the corner, it says "TMS  
2 Confidential."

3 Is that your understanding,  
4 that this document or chart was at least  
5 prepared by somebody from TMS?

6 A. Yes.

7 Q. And is there somebody at TMS  
8 that is responsible for organizational  
9 charts, diagrams, records?

10 A. There are organizational  
11 charts maintained. They are updated  
12 through the human resources department  
13 and the individual departments. I don't  
14 know that that would be the case for this  
15 particular chart, because it extends  
16 beyond TMS.

17 Q. Do you know whether --  
18 strike that.

19 Is there somebody who is  
20 responsible at TMS for coordinating their  
21 activities with Toyota Motor North  
22 America?

23 MS. DAWSON: Objection to  
24 the form of the question.

25 MR. ARYA: Objection.

1 MS. DAWSON: It's vague and  
2 ambiguous.

3 THE WITNESS: I don't  
4 understand the question.

5 BY MR. PITRE:

6 Q. Okay.

7 I'm just trying to figure  
8 out, when it says "TMS Confidential."  
9 Does that stamp come out of a particular  
10 office at TMS?

11 A. I don't know.

12 Q. So would you know --

13 Based on your years at  
14 working at TMS, who would you go to if  
15 you wanted to find out what these terms  
16 "IFEM" mean as referenced on this chart?

17 A. I made inquiries at TTC and  
18 TEMA, and based on the two individuals  
19 that I talked to, I was unable to  
20 determine what that reference regards.

21 Q. Who did you talk to at TTC?

22 A. At TTC, Bruce Brownlee asked  
23 me to talk to Dan Fuchs, F-U-C-H-S. And  
24 Dan referred me to Courtney Roman at  
25 TEMA.

1 Q. Now, Bruce Brownlee, where  
2 is he located?

3 A. He's in Ann Arbor.

4 Q. And Dan Fuchs?

5 A. He's in Ann Arbor as well.

6 Q. And then the individual --

7 A. Courtney Roman.

8 Q. Pardon?

9 A. Courtney Roman is Erlanger,  
10 Kentucky.

11 Q. And none of those  
12 individuals could help you?

13 A. They weren't familiar with  
14 it.

15 Q. There's a number of little  
16 entities that are within that gray box,  
17 and I guess some of these we'll come to,  
18 but we'll come back to that.

19 I'm still under the TMS box  
20 on Exhibit 35. Okay? Over on the  
21 left-hand corner, it says "US  
22 Subsidiaries."

23 Can you just go through,  
24 what are the U.S. subsidiaries that are  
25 listed there?

1           A.     Okay. I'm going to also use  
2     Exhibit Number 36 to assist me in that.

3           Q.     Number 36? Very good. Go  
4     ahead.

5           A.     So, TMSMI is Toyota Mexico  
6     Investment Inc.

7           Q.     There's a little checkmark  
8     by that and it says "Investments." Why  
9     did you put that checkmark there?

10          A.     Because when I was going  
11     through the chart, I wasn't familiar with  
12     the company, so, it was a reminder for me  
13     to call.

14          Q.     And then you wrote the word  
15     "Investments." Can you please tell me  
16     what was your purpose in writing down  
17     "Investments" next to TMSMI?

18          A.     Once I had determined that  
19     it was TMS Mexico Investments, I had  
20     concluded that it was an investment  
21     holding company.

22          Q.     Investment holding company  
23     for which entity, TMS?

24          A.     I think it's -- well, again,  
25     I'm not 100 percent sure, but it is a US

1 subsidiary of TMS that was formed to  
2 assist in the development of the Mexican  
3 market. What it holds, how those  
4 investments are held, I don't know.

5 Q. Now, obviously there are  
6 percentages here, 100 percent, 20  
7 percent, 6.7 percent. Is there a  
8 department at TMS that is responsible for  
9 maintaining files regarding the ownership  
10 interests of TMS in the various entities  
11 that are listed?

12 A. I don't know.

13 Q. In terms of your  
14 preparation, did you try to determine who  
15 at TMS was most knowledgeable about the  
16 investment activities of TMS in the  
17 organizations and subsidiaries that are  
18 listed?

19 A. I did not.

20 Q. All right.

21 Again, using Exhibit 36 and  
22 35, what is TLS?

23 A. Toyota Logistic Services.

24 Q. And you've described those  
25 before. Where is TLS headquartered?



1 A. I believe Torrance.

2 Q. Okay.

3 And you've previously  
4 described what activities they are  
5 involved in, right?

6 A. Yes.

7 Q. And just for the record, the  
8 logistics activities are, what, to  
9 coordinate scheduling of production?

10 A. No. It is actually the  
11 delivery of vehicles to the dealerships.

12 Q. How does that work  
13 physically as you understand it or  
14 mechanically?

15 A. It depends on if it's North  
16 American production or import vehicles.  
17 If they are import vehicles, they come  
18 into a port, the vehicles are off-loaded.  
19 TLS takes over as the vehicles are  
20 off-loaded and coordinates with Toyota  
21 Motor Sales distribution and the regional  
22 field office distribution offices in  
23 terms of making delivery of those  
24 vehicles to the appropriate dealer.

25 Q. Is TLS in any way involved

1 with inspections for quality?

2 MS. DAWSON: Object to the  
3 form of the question, vague and  
4 ambiguous.

5 THE WITNESS: TLS is  
6 involved in adding accessories  
7 from time to time. They will also  
8 complete predelivery services for  
9 fleet cars. So, there are some  
10 activities in terms of prepping  
11 the vehicles that they conduct.

12 BY MR. PITRE:

13 Q. The next entity down is an  
14 entity called TRD. What is TRD?

15 A. Toyota Racing Division.

16 Q. Does it do exactly what I  
17 think it does, which is involve itself in  
18 racing and motor sports?

19 A. Again, referring to 39, they  
20 are headquartered in Costa Mesa. They  
21 build racing engines for NASCAR and they  
22 do some related marketing activities.  
23 They design, develop and assemble engines  
24 for the racing programs. In addition,  
25 support Toyota-sponsored racing teams

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1 with chassis development and technology.

2 Q. And you are basically just  
3 reading off Exhibit 39 under the section  
4 that says "Toyota United States  
5 Operations"?

6 A. Yes. It's under the  
7 "Manufacturing and Engineering."

8 Q. Thank you.

9 Next entity I see there --  
10 who is head of that division, by any  
11 chance, do you know?

12 A. We have a corporate manager  
13 that is involved in the marketing. He is  
14 not a TRD employee. He's a TMS employee.  
15 In terms of who the president is or who  
16 is responsible for TRD, I don't recall.  
17 I don't know right now.

18 Q. And the head of TLS, do you  
19 know who that is?

20 A. We have a vice president,  
21 Nancy Davies.

22 Q. And is Nancy Davies part of  
23 TMS or is she part of TLS?

24 A. She works for TLS. She  
25 reports to Randy Pflughaupt, the group

1 vice president for sales administration.

2 Q. Of TMS?

3 A. Of TMS.

4 Q. Thank you.

5 TMSMI, who is the head of  
6 that particular group or division or  
7 subsidiary?

8 A. I don't know.

9 Q. Do you know who that person  
10 reports to at TMS?

11 A. I don't know for sure.

12 Q. Go down to AirFlite. Does  
13 that deal with air services?

14 A. I will elaborate on my last  
15 question.

16 Q. Please.

17 A. Randy Pflughaupt, the group  
18 vice president for sales administration,  
19 coordinates the TMS activities with  
20 regard to Mexico. I don't know if that  
21 would include the investments.

22 Q. What services does he  
23 monitor or perform?

24 A. The sales performance, the  
25 sales and distribution of product.

1 Q. Going down the list, there's  
2 AirFlite. What is AirFlite?

3 A. Again, specifically AirFlite  
4 is headquartered in Long Beach. It is a  
5 "fixed-base operation providing a full  
6 range of services for corporate and  
7 general aviation at the Long Beach  
8 Airport."

9 Q. Again, it looks like you are  
10 just reading from Exhibit 39?

11 A. That's correct.

12 Q. And what section?

13 A. "Sales and Service" under  
14 TMS.

15 Q. TAIL, T-A-I-L, what does  
16 that stand for?

17 A. That's aviation leasing  
18 company.

19 Q. And, again, where is that  
20 particular business headquartered?

21 A. It's, I believe, in Long  
22 Beach.

23 Q. Where is AirFlite  
24 headquartered?

25 A. Long Beach.

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1 Q. Does TAIL also perform  
2 services for TMC in terms of flying their  
3 corporate executives around?

4 A. I'm not sure.

5 Q. Now, you have in the column  
6 to the right of TMSI, Calty. You've  
7 described them before. They are a design  
8 center; is that correct?

9 A. Yes.

10 Q. Located in southern  
11 California, correct?

12 A. Yes.

13 Q. And they perform various  
14 services, you said, for wheel and body?

15 A. No. The wheels were for  
16 CAPTIN. There's a description of Calty.

17 Q. Are you on Exhibit 39 again?

18 A. I am. It might be more  
19 appropriate to look at 38.

20 Q. 38 says "Toyota Operations  
21 in the United States."

22 A. I think there's a better  
23 description for Calty. So, towards the  
24 back, four pages in.

25 Q. Okay.

1           A.     Second paragraph, "Design  
2     solutions for Toyota, Lexus and Scion  
3     product development...supports...American  
4     production design," styling, "including  
5     color and trim."

6           Q.     The first sentence says  
7     "Caltly provides design solutions for  
8     Toyota, Lexus and Scion product  
9     development."

10                  What do you understand that  
11     means?

12           A.     TMC has design studios in  
13     Asia, Europe and North America, and they  
14     are styling studios that compete with  
15     product design. So, they also produce  
16     concept vehicles for auto shows and motor  
17     shows that the public attends, so, they  
18     are conceptual sometimes.

19           Q.     It also mentions that their  
20     activities include "Research, advanced  
21     design, competitive design, production  
22     design."

23                  Do they do design or product  
24     development outside of body styling?

25           A.     Perhaps some interior

1 styling. It is a styling studio. They  
2 do not do vehicle engineering there.

3 Q. Next box again says "TI."

4 What is TI?

5 A. Again, referring to 36, I  
6 hope I can find it on here. I'm sorry.  
7 I may not have concluded that entity.

8 Q. Do you know what that entity  
9 is?

10 A. I don't. I don't recall  
11 finding the --

12 Q. Is it a part of or  
13 associated with TLS, to the best of your  
14 knowledge?

15 A. It's showed as a minority  
16 interest in terms of holding, and I'm  
17 sorry, I didn't successfully find the  
18 explanation for that.

19 Q. When you say "a minority  
20 interest," are you talking about a  
21 minority interest of TMS or a minority  
22 interest of TLS?

23 A. TLS.

24 Q. Going under TMS, big box,  
25 "Toyota Dealer Investment Group."



1                   What is the Toyota dealer  
2 investment group?

3           A.     That's a subdepartment  
4 within the retail marketing development  
5 group, and they are involved in finding  
6 automotive qualified operators that may  
7 not have the financial wherewithal to  
8 invest in dealerships. And we provide an  
9 investment buyout mechanism for them to  
10 acquire dealerships. We will also  
11 occasionally get involved in real estate  
12 transactions for dealerships.

13          Q.     You mean finding a space  
14 where they can operate as a Toyota  
15 dealership?

16          A.     We may invest in real estate  
17 to open a dealership and hold it for a  
18 given period of time. That could be  
19 extended, depending on the circumstances.

20          Q.     And when you use the term  
21 "we" in reference to that sentence, were  
22 you referring to Toyota Motor Sales?

23          A.     I'm referring to Toyota  
24 Motor Sales and my department. This is  
25 actually part of my department.

1 Q. Your department, again,  
2 being?

3 A. Retail market and  
4 development.

5 Q. As part of your retail  
6 market development, are there  
7 independently owned Toyota dealers as  
8 well as Toyota owned dealers?

9 A. Well, virtually all of them  
10 are independently owned, and even these  
11 dealerships are managed independently.  
12 We just provide -- we're a preferred  
13 stock shareholder, and they buy us out  
14 over time.

15 Q. But do I understand, then,  
16 correctly that at least at some point in  
17 time, Toyota has a direct investment and  
18 owns the dealership and then enters into  
19 arrangements where those dealers over  
20 time can buy out Toyota's interest?

21 A. Depending on the  
22 circumstances, we'll own roughly 80  
23 percent of the preferred stock. The  
24 operator will own 20 percent or 15  
25 percent, depending on his wealth, and

1 he'll own common stock, which will be  
2 converted in terms of buying out the  
3 preferred stock over time.

4 Q. How many dealerships are  
5 there in the nation selling Toyota  
6 vehicles?

7 A. 1,233 in TMS. Sometimes  
8 you'll see a higher number for the U.S.,  
9 which will include Hawaii sometimes, and  
10 they have six dealerships. But we do not  
11 supervise them. They are independently  
12 owned. Just for numerics in the U.S.,  
13 comparisons sometimes include their  
14 stores.

15 Q. When you say "independently  
16 owned," there are some where Toyota  
17 maintains a pretty significant ownership  
18 interest, 80 percent?

19 A. Okay. Are we talking about  
20 dealerships now?

21 Q. Well, that's what I want to  
22 find out. Dealerships.

23 A. Okay. We are participating  
24 financially with only one store right  
25 now.

1 Q. What does that mean when you  
2 say "participate financially"?

3 A. This TDIG arrangement, where  
4 I referred to the preferred stock  
5 ownership by TMS or by Trinity.

6 Q. And as to the other 1,200 or  
7 so, what arrangements, if any, are there  
8 between TMS and the dealership?

9 A. Well, even with the  
10 dealership that we are an investor in, we  
11 have a dealer agreement.

12 Q. Okay.

13 So, for the rest, there are  
14 dealer agreements between TMS and the  
15 dealer, the 1,200 or so?

16 A. Yes.

17 Q. And any of those agreements  
18 also require some kind of a financial  
19 assistance to the dealer from Toyota  
20 Motor Sales?

21 MS. DAWSON: Object to the  
22 form of the question, vague and  
23 ambiguous.

24 THE WITNESS: No. The  
25 dealerships are independently

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1 capitalized, except for the case  
2 where we are a financial  
3 participant with the dealer  
4 investment group.

5 BY MR. PITRE:

6 Q. Of that 1,200, are there  
7 arrangements where Toyota Motor Sales  
8 owns the real estate on which the  
9 dealership sells cars?

10 A. I don't recall the exact  
11 number, but there's maybe three or four  
12 places where we own.

13 Q. And of that 1,200, what  
14 percentage are California dealerships for  
15 Toyota?

16 A. Referring to Number 37.

17 Q. Okay.

18 A. There are 58 Toyota dealers  
19 in San Francisco and 76 in Los Angeles,  
20 and that would be roughly 10 percent.

21 MR. PITRE: Okay. I think  
22 we have to change tapes real  
23 quick.

24 THE WITNESS: Oh, sure.

25 THE VIDEOTAPE TECHNICIAN:

1 We're off the record. The time is  
2 11:32. This is the end of Tape 1.

3 - - -

4 (Whereupon, a recess was  
5 taken from 11:32 a.m. until  
6 11:36 a.m.)

7 - - -

8 THE VIDEOTAPE TECHNICIAN:

9 We're on the record. The time is  
10 11:36 a.m. This is the beginning  
11 of Tape 2 in the deposition of  
12 Ernest Bastien.

13 Please proceed.

14 MR. PITRE: Thank you, sir.

15 BY MR. PITRE:

16 Q. Sir, you were kind enough to  
17 refer me to Exhibit 37, and if you could,  
18 if you could put that in front of you one  
19 moment.

20 A. (Witness complies.)

21 Q. What is Exhibit 37?

22 A. This is a map of the United  
23 States, which includes the Toyota regions  
24 and private distributors. In the  
25 pre-emphases, it shows the number of

1 dealers.

2 Q. Now, as you understand this  
3 chart, there are certain areas that  
4 appear very dark, at least on my black  
5 and white copy, and it looks like it  
6 includes portions of California, Oregon,  
7 Washington. What region is that?

8 A. Yeah. I'm sorry. There's  
9 actually -- well, I can probably do most  
10 of it from memory.

11 Q. Let's just do it this way,  
12 if you don't mind.

13 A. Yeah, please.

14 MR. PITRE: Can we put that  
15 up, the color coded one? This way  
16 we can get all the regions down.  
17 We're going to put it right up on  
18 the screen.

19 BY MR. PITRE:

20 Q. All right.

21 We're on Exhibit 37, and for  
22 the record, we've placed this up on the  
23 screen for everybody to see, because it  
24 is color coded. There's an area shaded  
25 dark and black. Can you please tell me

1 what that exemplifies?

2 A. That's our San Francisco  
3 region. California has two.

4 Q. And then there's one shaded  
5 blue. What is that?

6 A. The light blue is the Los  
7 Angeles region.

8 Q. Okay.

9 How many regions are there  
10 all together, sir?

11 A. There's ten company owned  
12 and two private.

13 Q. Okay.

14 The two that we just  
15 referred to so far, San Francisco and Los  
16 Angeles, are those private or company  
17 owned?

18 A. No, those are company owned.

19 Q. And when you say "company  
20 owned," what do you mean by that?

21 A. Toyota Motor Sales owns  
22 them.

23 Q. When you say they own them,  
24 you are referring to all the dealerships?

25 A. No --



1 MR. ARYA: Objection. It is  
2 vague and ambiguous, but you can  
3 clarify.

4 THE WITNESS: When I first  
5 joined the company 28 years ago,  
6 the regions were held as  
7 independent distributors. At the  
8 time, there were nine owned by  
9 Toyota Motor Sales.

10 In the late '80s, the  
11 Central Atlantic Toyota was  
12 previously known as mid-Atlantic  
13 Toyota, and it was private, it was  
14 bought out by TMS. There's still  
15 two private distributors,  
16 Southeast Toyota, which includes  
17 Florida, Alabama, Georgia, North  
18 and South Carolina.

19 BY MR. PITRE:

20 Q. That's the yellow section,  
21 just so we have that?

22 A. Yes.

23 Q. Okay.

24 So, that's one of the  
25 privately owned.

1           A.     The other privately owned is  
2     Gulf States Toyota, which is in green,  
3     and it includes Texas, Oklahoma,  
4     Louisiana, Mississippi and Arkansas.

5           Q.     All right.

6                     Now, let's take the last  
7     one, green. What is the name of the  
8     distribution -- I guess a distributor,  
9     correct?

10          A.     They are privately owned  
11     distributors.

12          Q.     What is the name of that  
13     distributor?

14          A.     It is Gulf States Toyota.

15          Q.     Got it.

16                     And then the one in yellow,  
17     Southeast, you said that was a privately  
18     owned distributorship, correct?

19          A.     Yes.

20          Q.     What is the name of that  
21     distributor?

22          A.     Southeast Toyota  
23     Distributors.

24          Q.     And the dealerships that are  
25     part of that distribution network are

1 reflected on this chart, Exhibit 37,  
2 correct?

3 A. Yes. And the dealerships,  
4 to make clear, are independently owned.

5 Q. Got it.

6 And now, if you could, let's  
7 take the one in the Gulf states. Does  
8 the distributor have an agreement with  
9 Toyota Motor Sales to distribute those  
10 automobiles, as you understand it?

11 A. The distributor does.

12 Q. What is that called?

13 A. The distributor agreement.

14 Q. Where are those documents  
15 maintained?

16 A. I'm not 100 percent sure,  
17 but TMS.

18 Q. Is there a particular  
19 department or division within Toyota  
20 Motor Sales that is responsible for  
21 handling private distributorships?

22 A. We have an associate  
23 assigned to maintain communication and  
24 provide input to headquarters with regard  
25 to distributor needs and activities.

1 That individual is part of the sales  
2 department. He does not manage the  
3 distributor agreement. I believe that's  
4 handled by the legal department.

5 Q. What is the name of the  
6 associate?

7 A. Michael Bevan.

8 Q. Spell the last name, please.

9 A. B-E-V-A-N.

10 Q. And he's located out of  
11 Torrance?

12 A. Correct.

13 Q. And would he be the same  
14 individual that would at least, if not  
15 manage, because you said he doesn't  
16 manage, but he would have certain  
17 knowledge of the distributorship  
18 agreements for the Southeast, correct?

19 A. Again, he is not involved in  
20 administering the agreement. He's a  
21 conduit of communication between the  
22 private distributors and Toyota Motor  
23 Sales.

24 Q. So, what kinds of things  
25 would that person become involved in?

1           A.     If there are dealer meetings  
2     in the private distributor areas where  
3     they want TMS executive attendance, he  
4     would make arrangements. He would also  
5     have discussions with regard to vehicle  
6     allocations. Occasionally, he may get  
7     involved in discussions regarding dealer  
8     representation. If there are questions  
9     regarding incentive programs or national  
10    sales events, he provides the information  
11    two ways between them, to them and from  
12    them.

13           Q.     Now, if there were questions  
14    raised by those distributors as to  
15    quality problems, production problems,  
16    recalls on certain vehicles, are they  
17    handled through that associate or are  
18    they handled in another department or  
19    division of Toyota Motor Sales?

20           MS. DAWSON: Object to the  
21    form of the question. It's also  
22    beyond the scope of this  
23    deposition notice.

24           MR. PITRE: I think it just  
25    deals with the relationship

1           between distributors and Toyota  
2           Motor Sales and just identifying  
3           what departments or divisions. If  
4           you know, let me know. If you  
5           don't know and it is somebody  
6           else, you can let me know, too.

7           MS. DAWSON: Your questions  
8           were asking about specifically  
9           recalls and quality issues.

10          MR. PITRE: Oh, okay. Which  
11          is somebody else?

12          MS. DAWSON: Yes.

13          MR. PITRE: Okay.

14          BY MR. PITRE:

15           Q.       We'll move on.

16                    Let's go to the other areas  
17           other than the privately owned  
18           distributorships that you've described.

19                    What is the relationship,  
20           then, between Toyota Motor Sales and the  
21           dealerships that are reflected in the  
22           regions on Exhibit 37?

23           A.       We have regional offices  
24           in those -- that are responsible for  
25           those areas. We have general managers

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1 that manage those regional offices. They  
2 have a staff and they have field  
3 travelers that provide support to the  
4 dealers.

5 Q. Did you call them field  
6 travelers?

7 A. Field travelers.

8 Q. Thank you.

9 How many different regional  
10 offices does Toyota Motor Sales have?

11 A. We have ten.

12 Q. To comport with each of the  
13 regions that you have depicted here?

14 A. Yes. And then, again, the  
15 two private distributors make 12.

16 Q. Okay.

17 And then you said there were  
18 also general managers within those  
19 regions?

20 A. Yes.

21 Q. Are there 10 for those who  
22 are Toyota distributorships?

23 A. Yes.

24 Q. And you said there were  
25 field travelers. How many of those are

1 there within those that are --

2 A. It depends --

3 Q. -- Toyota distributorships?

4 A. It depends on the size of  
5 the region. Some may have seven. Some  
6 may have 12. It depends on how many  
7 dealers and the geography.

8 Q. And in terms of those  
9 regional offices, do they all have direct  
10 reporting responsibilities to Toyota  
11 Motor Sales?

12 A. Yes.

13 Q. And what department or  
14 division within Toyota Motor Sales would  
15 that be?

16 A. The general managers for the  
17 regional offices report directly to the  
18 vice president of sales.

19 Q. Who is who currently?

20 A. Jeff Bracken, B-R-A-C-K-E-N,  
21 I believe.

22 Q. Out of your Torrance office?

23 A. Yes.

24 Q. Thank you, sir.

25 That takes care of Exhibit



1 37. I thank you.

2                   Going back, if you would be  
3 so kind, to Exhibit 35. On Exhibit 35,  
4 we were still under the umbrella TMS, and  
5 I'd like to ask you, what is Trinity  
6 Automotive?

7                   A. It's the company that we've  
8 set up to hold the preferred stock for  
9 the investments that we make in  
10 independent -- well, in TDIG dealerships.

11                  Q. It is called the T dash DIG?

12                  A. Toyota Dealer Investment  
13 Group. We use the acronym TDIG.

14                  Q. And this TDIG group, is that  
15 a group within Toyota Motor Sales?

16                  A. Yes, it is part of my  
17 department.

18                  Q. Okay.

19                               And are you then the head of  
20 this TDIG group?

21                  A. Yes.

22                  Q. So, you would be the person  
23 most knowledgeable regarding which  
24 dealerships that Toyota has invested in  
25 and what amounts, correct?

1 MS. DAWSON: Object to the  
2 form of the question, vague and  
3 ambiguous.

4 MR. ARYA: To the extent you  
5 are using person most  
6 knowledgeable.

7 MR. PITRE: Yeah, let me  
8 rephrase it.

9 BY MR. PITRE:

10 Q. Who would have the most  
11 amount of information about what  
12 independent dealers are owned by TMS?

13 A. I communicated earlier  
14 there's one.

15 Q. That's your associate? Was  
16 that the associate you described or is  
17 that somebody else?

18 MR. ARYA: The one  
19 dealership.

20 THE WITNESS: There's one  
21 that we have an investment in  
22 right now.

23 BY MR. PITRE:

24 Q. Got it. Okay.

25 And then the person who had

1 most of that information is you or  
2 somebody else?

3 A. We have an individual that  
4 maintains regular contact with that  
5 dealer, and I would suggest that he  
6 probably would have the most information.

7 Q. Okay. Who is that person's  
8 name, please?

9 A. Richard Green.

10 Q. Richard Green?

11 A. Green.

12 Q. Is there an E on the end of  
13 that or just G-R-E-E-N?

14 A. Sorry, I don't know. I  
15 think it is G-R-E-E-N.

16 Q. He's, again, out of your  
17 Torrance office?

18 A. Yes.

19 Q. He reports to you?

20 A. He doesn't report directly  
21 to me. He reports to a national manager.

22 Q. National manager of sales?

23 A. The TDIG group.

24 Q. TDIG group.

25 And the TDIG group, again,

1 is still within the Torrance office,  
2 right?

3 | A. Yes.

4



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[REDACTED]

13 Q. Okay.

14 And when you had to ask for  
15 help, who did you go to?

16 A. I contacted Martin Smith in  
17 our legal department.

18 Q. Martin Smith?

19 A. Yes.

20 Q. He's at the legal department  
21 in Torrance?

22 A. Yes.

23 Q. And that would be the same  
24 for all of the entities listed here, Gulf  
25 Terminal, Transpac; is that correct?

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1 A. Correct.

2 Q. All right.

3 Now, we are going over to  
4 the next column on Exhibit Number 35, if  
5 you'd be so kind, where it says, "Joint  
6 Venture Limited Liability" -- excuse  
7 me -- "Puerto Rican and Mexican Subs."

8 A. Yes.

9 Q. What does that refer to?

10 A. We had discussed previously  
11 about Puerto Rico, that TMS provides some  
12 supervisory service for Puerto Rico.

13 Q. Yes, sir.

14 A. There's a similar sales  
15 organization being developed in Mexico,  
16 and that's Toyota Motor Sales de Mexico,  
17 excuse me. And TMS MS is a personnel  
18 entity that hires employees in Mexico.

19 Q. For what purpose?

20 A. We have a sales office down  
21 there that provides support services to  
22 the dealers similar to the type of  
23 service and support we would provide in  
24 our regional offices to U.S. dealers.

25 Q. Does each of these three

1 entities listed in this column all have  
2 direct reporting responsibility to TMS?

3 MS. DAWSON: Objection to  
4 the form of the question, vague  
5 and ambiguous.

6 BY MR. PITRE:

7 Q. Go ahead, sir.

8 A. Yes.

9 Q. What department or division?

10 A. The sales administration  
11 department.

12 Q. That's out of your Torrance  
13 office?

14 A. Yes.

15 Q. Who is the head of that  
16 department?

17 A. Randy Pflughaupt.

18 Q. You've spelled his name  
19 before?

20 A. Yes. And I'll try and do it  
21 again. It is P-F-L-U-G-H-A-U-P-T.

22 Q. Thank you, sir.

23 A. You're welcome.

24 Q. Let's go over to the other  
25 side of things under TEMA. Do you see



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1 that, sir?

2 A. Yes.

3 Q. Just, again, this was the  
4 group that was formed, to your knowledge,  
5 after 1996. That's your little  
6 handwriting there?

7 A. Yes.

8 Q. And that's Toyota Motor  
9 North America, correct?

10 A. Toyota Engineering and  
11 Manufacturing America.

12 Q. Oh, I apologize. Let's  
13 stick on that. Toyota Engineering and  
14 Manufacturing.

15 They're out of Kentucky,  
16 right?

17 A. Headquartered in --

18 MR. ARYA: Well --

19 MR. PITRE: Pardon me?

20 MR. ARYA: Sorry. Vague and  
21 ambiguous.

22 Go ahead and you can  
23 clarify.

24 BY MR. PITRE:

25 Q. Where is TEMA headquartered?

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1 A. Headquartered in Erlanger,  
2 Kentucky.

3 Q. Is there some document that  
4 would succinctly describe their business  
5 or operations?

6 A. Yes. Again, referring to  
7 39.

8 Q. Exhibit 39, okay. I have  
9 that, sir. How many pages in are we  
10 going to go?

11 A. Three from the back.

12 Q. There's a whole bunch of --

13 A. Up at the top.

14 Q. Got it.

15 "Toyota Motor Engineering  
16 Manufacturing North America, Inc." at the  
17 top. I see that.

18 A. Yes. And my note is  
19 inaccurate. It was actually consolidated  
20 in 2006.

21 Q. Okay. Go ahead.

22 A. You had asked about the  
23 responsibilities which are engineering  
24 design and development, research and  
25 development and manufacturing activities

1 in the U.S., Mexico and Canada.

2 Q. Got it.

3 Now, over adjacent to the  
4 description of its activities that you  
5 just read, it says "Headquartered in  
6 Erlanger, Kentucky"; is that correct?

7 A. Yes.

8 Q. "Major operations in  
9 Arizona, California and Michigan."

10 Do I understand; is that  
11 correct?

12 A. That's what it says.

13 Q. All right.

14 Now, when it says --

15 So, based at least on this  
16 document, that's where you got your  
17 source of knowledge?

18 MR. ARYA: Objection. That  
19 misstates testimony.

20 You can answer.

21 BY MR. PITRE:

22 Q. Let's back up. I apologize.  
23 Let's start over.

24 When you were referring to  
25 TEMA, you read the description that

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1 appears on Exhibit 39 under  
2 "Manufacturing and Engineering;" is that  
3 correct?

4 A. I read the description for  
5 the responsibilities.

6 Q. Correct.

7 Now, do you have any  
8 knowledge of what their responsibilities  
9 are either in addition to or different  
10 from what is stated on this document?

11 A. I would say that's a  
12 reasonable summary. I think it would  
13 also be important to note that while they  
14 provide support, engineering support and  
15 research development for activities here,  
16 they do work through TMC with regard to  
17 that.

18 Q. Okay.

19 Do they at all have  
20 discussions with anybody at TMS to  
21 provide information regarding customer  
22 complaints or problems that arise in the  
23 field?

24 A. I'm sorry. I'm not sure.

25 Q. When you say you are not

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1 sure, it would be somebody else within  
2 TMS who might be able to answer that?

3 A. Yes.

4 Q. Who would you go to if you  
5 wanted to find out whether there's any  
6 interaction between TMS and TEMA?

7 A. I'm not sure you would know  
8 for sure, but I would maybe start with  
9 Bob Waltz.

10 Q. And Mr. Waltz, he's located  
11 in Torrance?

12 A. Yes.

13 Q. What department or division,  
14 please?

15 A. He's the vice president for  
16 PQSS.

17 Q. PQSS?

18 A. Product quality service  
19 support.

20 Q. All right.

21 Now, right to the left of  
22 the description of their business  
23 activities, it says, "Headquartered in  
24 Erlanger, Kentucky."

25 Is there anything about that

1 statement that you would either add to,  
2 subtract to or contradict?

3 A. The whole statement?

4 Q. Just "Headquartered in  
5 Erlanger."

6 A. No.

7 Q. All right.

8 Then it says "Major  
9 operations in Arizona." Are there any  
10 operations in Arizona, to the best of  
11 your knowledge?

12 A. Well, there is. I'm not  
13 sure I would characterize it as major.  
14 It is probably major in investment, but  
15 there's a proving ground there. There's  
16 probably not very many people.

17 Q. And what is the name of that  
18 proving ground?

19 A. Toyota Arizona Proving  
20 Ground, TAPG.

21 Q. By the way, do you know who  
22 prepared this document, Exhibit 39?

23 A. I believe it's prepared from  
24 TMA or Toyota Motor North America.

25 Q. Toyota Motor North America?

1 A. Yes.

2 Q. And is there a particular  
3 department or division that prepares  
4 documents like this one?

5 A. I don't know.

6 Q. Did you speak to anybody  
7 there about Exhibit 39?

8 A. No. This -- I did not.

9 Q. How is it that Exhibit 39  
10 came into your possession?

11 A. The legal team provided it  
12 to me.

13 Q. And by "the legal team," you  
14 are referring to the individuals who are  
15 here with you today and who you spoke  
16 with in preparation, correct?

17 A. Yes.

18 Q. So at least you attribute  
19 some trustworthiness to the document  
20 because it did come from the legal team;  
21 is that correct?

22 MR. ARYA: Objection, vague,  
23 ambiguous.

24 You can answer.

25 THE WITNESS: I'm familiar

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1 with its existence before they  
2 gave it to me.

3 BY MR. PITRE:

4 Q. Got it.

5 A. I just didn't have it in my  
6 possession.

7 Q. TMA is a trustworthy source  
8 of information regarding the activities  
9 of TEMA?

10 MR. ARYA: Objection,  
11 overbroad.

12 You can answer.

13 THE WITNESS: I view them as  
14 trustworthy.

15 BY MR. PITRE:

16 Q. Okay.

17 So it then says "major  
18 operations in Arizona." You've said  
19 there's a proving ground. Are there  
20 operations in California?

21 A. We've talked about --

22 MS. DAWSON: Objection. I  
23 think it mischaracterizes the  
24 witness' prior testimony where he  
25 said he did not consider it to be



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1 major operations.

2 BY MR. PITRE:

3 Q. My question is, are there  
4 operations in California?

5 A. There is an office that has  
6 staff. I don't consider it to be major,  
7 relative to TMA's.

8 MR. PITRE: Move to strike  
9 as nonresponsive.

10 BY MR. PITRE:

11 Q. My question simply was, are  
12 there operations? That was either yes,  
13 no or explain.

14 MS. DAWSON: He did testify  
15 that there was an office, so...

16 BY MR. PITRE:

17 Q. Okay.

18 And what goes on there, to  
19 the best of your knowledge?

20 A. I don't know.

21 Q. Is it part of your  
22 responsibility to interact with  
23 individuals from TEMA at that office?

24 A. No.

25 Q. So, would it be fair to say

1       you really don't have any independent  
2       knowledge of what activities the TEMA  
3       California operation does, other than  
4       what you've read so far. Is that a fair  
5       statement?

6                       MR. ARYA: Objection,  
7       mischaracterizes testimony.

8                       THE WITNESS: I don't have  
9       current interaction, so I wouldn't  
10      know the most recent activity  
11      there.

12      BY MR. PITRE:

13                      Q.     All right.

14                      And when you say you don't  
15      know, you don't speak to any individuals  
16      there as part of your current  
17      responsibilities at Toyota Motor Sales;  
18      is that true?

19                      A.     That's correct.

20                      Q.     You don't review any  
21      documents that come from that particular  
22      office as part of your day-to-day  
23      operations; is that true?

24                      MR. ARYA: Vague as to time.

25                      Go ahead.

1 THE WITNESS: In my current  
2 responsibilities, no.

3 BY MR. PITRE:

4 Q. And when we use the term  
5 "current," within the last two years,  
6 that's what I meant by "current." Is  
7 that what you understood?

8 A. That's correct.

9 Q. So, for the last two years,  
10 you have had no contact with anybody  
11 there, correct?

12 A. No.

13 Q. And you've reviewed no  
14 documents from that entity, correct?

15 A. No.

16 Q. So, suffice it to say, you  
17 really don't have personal knowledge of  
18 whether those operations, based on your  
19 activities, are major or something less;  
20 is that fair?

21 MS. DAWSON: Object to the  
22 form of the question.

23 BY MR. PITRE:

24 Q. Go ahead.

25 A. I know that most of the

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1 engineers were reassigned to Ann Arbor --

2 Q. Now, when you say --

3 A. -- several years ago.

4 Q. Okay.

5 When you say "most," let's  
6 go back. How is it that you acquired  
7 that information?

8 A. Because I worked with some  
9 of the people that were assigned there as  
10 part of my previous assignment.

11 Q. When was it, sir, that you  
12 believed these engineers were reassigned.

13 A. Very late '90s.

14 Q. Late '90s. Okay.

15 And would I be correct in  
16 understanding that, at least in the last  
17 two years, you don't know whether TEMA  
18 had reassigned any engineers there of  
19 your own personal knowledge?

20 A. I acknowledged that already.

21 Q. Okay.

22 So, your last knowledge of  
23 having reassignment occurred in the late  
24 '90s; is that true?

25 A. Yes.

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1 MR. ARYA: Objection,  
2 misstates testimony.

3 BY MR. PITRE:

4 Q. And was that because you had  
5 responsibility directly with dealing with  
6 engineers at TEMA who were located in the  
7 California office?

8 A. At the time it was TTC, but  
9 yes.

10 Q. Okay.  
11 And when did TTC change to  
12 TEMA, to your knowledge?

13 A. I believe the consolidation  
14 occurred in 2006, which is what's  
15 reflected here in this document.

16 Q. All right.  
17 And since 2006, would I be  
18 correct in understanding that you have  
19 had no contact with TEMA?

20 A. That's correct.

21 Q. All right.  
22 When was this document  
23 published, to the best of your knowledge?  
24 Because it says "Operations 2009."

25 A. Down at the bottom, there's

1 an asterisk and at least for the page  
2 that we're talking about, the date is as  
3 of December 2008.

4 Q. All right.

5 So, now let's go back to  
6 TEMA. There are a number of different  
7 entities listed under TEMA, and the first  
8 one is TMM-K. What is TMM-K?

9 A. That's Toyota Motor  
10 Manufacturing Kentucky.

11 Q. And are you looking at a  
12 particular document to assist you in  
13 knowing --

14 A. No, but I will refer to  
15 documents for some of these.

16 MS. DAWSON: Exhibit 38.

17 MR. PITRE: Exhibit 38.

18 MS. DAWSON: Would be  
19 useful.

20 MR. PITRE: Thank you, I  
21 appreciate it.

22 BY MR. PITRE:

23 Q. Can you just hold that up  
24 for me, so I'll know exactly which one  
25 you've got?

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1 A. (Witness complies.)

2 This one right here.

3 MS. DAWSON: Third page in  
4 begins the TEMA section and the  
5 various manufacturing entities  
6 under TEMA.

7 MR. PITRE: We're going to  
8 put that right up on the screen so  
9 everybody can see.

10 BY MR. PITRE:

11 Q. What is the business of  
12 TMM-K, sir?

13 A. Toyota Motor Manufacturing  
14 in Kentucky builds Camrys and Venzas,  
15 V-E-N-Z-A.

16 Q. Is it your understanding  
17 TMM-K is a subsidiary of TEMA?

18 A. Yes.

19 Q. And other than reading from  
20 this document, Exhibit Number 38, do you  
21 have any independent knowledge of how it  
22 is that TMM-K became a subsidiary of  
23 TEMA? Did you review any documents to  
24 assist you in remembering that TMM-K was  
25 a TEMA subsidiary?

1           A.     Other than knowing when the  
2           consolidation occurred that TEMA took  
3           responsibility for the assembly plants.

4           Q.     And how is it that you  
5           became aware of the consolidation?

6           A.     It was news that was made  
7           available to us in the company.

8           Q.     So, word of mouth, so to  
9           speak?

10          A.     There was a publication that  
11          was distributed.

12          Q.     Did TMS distribute that  
13          publication?

14          A.     I believe it came through  
15          the public relations department.

16          Q.     Okay.

17                   And then right underneath  
18          that, there's TMM-WV. Is that West  
19          Virginia?

20          A.     Correct.

21          Q.     And, again, is that  
22          reflected on Exhibit Number 38?

23          A.     Yes, it is.

24          Q.     Is this the correct page  
25          that I'm holding up in my hand?



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1 A. Yes.

2 Q. It indicates that TMM-WV  
3 manufactures four cylinder and V6 engines  
4 for operations in Indiana and Canada,  
5 also automatic transmissions and gears  
6 for plants in Kentucky, Indiana and  
7 Canada; is that correct?

8 A. Yes.

9 Q. And then their address, is  
10 that their main headquarters that's  
11 located there, address?

12 A. To the best of my knowledge.

13 Q. Just so I don't waste any  
14 more time, could I literally use Exhibit  
15 Number 38 to give me the business  
16 description for all of the rest of the  
17 entities that are listed under TEMA?

18 A. Yes.

19 Q. And would you have any  
20 independent knowledge of what business  
21 activities that they perform other than  
22 what's described in Exhibit 38?

23 MR. ARYA: Objection,  
24 overbroad.

25 THE WITNESS: Actually, I

1           would like to go back to the last  
2           question.

3       BY MR. PITRE:

4           Q.     Sure.

5           A.     It may not have explanations  
6       for all of these.

7           Q.     Which ones do you think --

8           A.     I don't think --

9           Q.     -- I would not find?

10          A.     I don't think TSSCI is in  
11       there, but --

12          Q.     Could I find everybody?

13          A.     TSSCI is a supplier.

14          Q.     Supplier of --

15          A.     It's a supplier support  
16       company that's not referenced in 38.

17          Q.     And what type of services  
18       does TSSCI perform?

19          A.     They provide consulting and  
20       evaluations of potential suppliers for  
21       the manufacturing group for TEMA.

22          Q.     So, they are more of a  
23       consulting organization?

24          A.     They also do evaluations in  
25       terms of capability.

1 Q. Do they do any consulting  
2 when it comes to software or any of the  
3 component parts for electronic throttle  
4 control systems?

5 A. I don't know.

6 Q. How about brake override  
7 systems?

8 A. I don't know.

9 Q. Where are they located?

10 A. I'm not sure.

11 Q. What is the relationship  
12 between TSSCI and TMS, if any exists?

13 A. I'm not aware of any  
14 connection.

15 Q. There's an asterisk by them,  
16 again, which apparently has an IFEM  
17 submission. Do you know what that might  
18 refer to?

19 A. No, I don't.

20 Q. Do you know whether Toyota  
21 Motor Sales has any ownership interest in  
22 TSSCI?

23 A. I don't believe so.

24 Q. Do you know whether Toyota  
25 Motor Corporation has an ownership

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1 interest in TSSCI?

2 MR. ARYA: Objection, no  
3 foundation.

4 THE WITNESS: I don't.

5 BY MR. PITRE:

6 Q. Do you know whether TEMA has  
7 an ownership interest? Because on this  
8 document, it looks like 100 percent under  
9 TEMA, it looks 100 percent under TSSCI.  
10 Do you know?

11 A. I believe it is owned by  
12 TEMA.

13 Q. Okay.

14 Any others that appear under  
15 this, what I want to call tree, for TEMA  
16 where I could not look at Exhibit 38 and  
17 determine what the business operation was  
18 for that particular entity depicted?

19 A. Yes. TMM-CA.

20 Q. Okay.

21 What is TMM-CA?

22 A. It is a subsidiary of TABC.  
23 Its function was to facilitate the  
24 buy-off of Tacoma from NUMMI. So, it is  
25 no longer an active company.

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1 Q. You mean TMM-CA is no longer  
2 active? Is that your understanding?

3 A. That's correct. I think it  
4 still exists, but it is not active.

5 Q. Okay.

6 Under TABC with the star,  
7 you have some handwriting. "Steering  
8 column."

9 A. Right. We had discussed  
10 that earlier before as part of the TABC  
11 manufacturing capability.

12 Q. Okay.

13 And you also have under  
14 TMM-CA Courtney Roman with a telephone  
15 number.

16 A. Right.

17 Q. What's the purpose of having  
18 that telephone number there under that?

19 A. Courtney explained to me  
20 what TMM-CA was.

21 Q. Right at the bottom you have  
22 some handwriting that says "1 Person  
23 Miami."

24 What does that refer to?

25 A. There's an office in Miami,

1 and, I'm sorry, I'd have to do some  
2 fishing or hunting to tell you exactly  
3 what it is, but I was able to determine  
4 that there's -- it's a one-person office.  
5 It's actually part of TMA, or Toyota  
6 Motor North America. It's a one-person  
7 office that's involved in Latin American  
8 research.

9 Q. And then you have the name  
10 "K. Fujita - TMC."

11 A. That's the one person that's  
12 there.

13 Q. And you understand that that  
14 person is involved with research?

15 A. Latin America research.

16 Q. In Latin America.

17 And what kind of research is  
18 performed there?

19 A. I don't know.

20 [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]



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[REDACTED]



[REDACTED]

167

[REDACTED]

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11 MR. PITRE: Okay. Why don't  
12 we take a lunch break.

13 THE VIDEOTAPE TECHNICIAN:  
14 We're off the record. The time is  
15 12:15.

16 - - -  
17 (Whereupon, a luncheon  
18 recess was taken from 12:15 p.m.  
19 until 1:31 p.m.)

20 - - -  
21 (Whereupon, the following  
22 testimony related to Exhibit 47  
23 was held under separate  
24 confidential cover at pages  
25 169-193.)

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Q. I want to just go back over  
a couple of other things in sequence.

4

5

6

7

8

9

Exhibit Number 37, sir, we  
talked about this particular exhibit, and  
you referred to this exhibit as  
indicating the number of Toyota  
dealerships, and was it Toyota and Scion  
dealerships?

10

11

12

A. Not every Toyota dealer is a  
Scion dealer. You must be a Toyota  
dealer to be a Scion dealer.

13

14

15

Q. Would the total number of  
dealerships reflect the total of both  
Toyota and Scion dealerships?

16

17

18

19

20

21

MR. PITRE: For the record,  
we are now out of the confidential  
section. Thank you, Madam Court  
Reporter. We're back to the  
transcript, and I've just referred  
to Exhibit Number 37.

22

23

24

25

THE WITNESS: The numbers on  
here refer to the Toyota dealers.  
The Scion dealers would be a  
subset of this. I'm not exactly

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1           sure how many dealers carry the  
2           Scion mark now. I would say it's  
3           roughly 900.

4       BY MR. PITRE:

5           Q.     You had indicated that there  
6           were about 1,200 Toyota dealerships in  
7           reference to my question on Exhibit 37.  
8           Do you recall that, sir?

9           A.     Yes.

10          Q.     Does that 1,200 number  
11          include the subset of 900 Scion  
12          dealerships?

13          A.     Yes.

14          Q.     So, you don't add them.  
15          They are all part of the 1,200.

16          A.     Yes. We consider it a mark,  
17          not a division or a brand.

18          Q.     Now, does Exhibit 37 also  
19          reflect Lexus dealerships?

20          A.     No.

21          Q.     So, I would have to add to  
22          the 1,200 dealerships if I wanted to get  
23          the Lexus dealerships, correct?

24          A.     Correct.

25          Q.     And I would do that by

1 looking at another exhibit; is that true?

2 A. That's true.

3 Q. What number is that, sir?

4 A. 44.

5 Q. Exhibit 44 is the breakdown  
6 of the number of Lexus dealerships. Do I  
7 understand that correctly?

8 A. Yes.

9 Q. There are also regions. How  
10 many different regions are there for  
11 Lexus dealerships?

12 A. We refer to them as areas,  
13 and there's four.

14 Q. What are they?

15 A. We have the Western  
16 region -- or excuse me. I see the  
17 confusion. Western area, Central area,  
18 Southern area and Eastern area.

19 Q. And the numbers say 62 for  
20 the Western region. That's 62 different  
21 Lexus dealerships?

22 A. Yes.

23 Q. Now, are those 62  
24 dealerships distributed directly by  
25 Toyota or do they have private

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1 distributorships?

2 A. Lexus does not include  
3 private distributors.

4 Q. Okay.

5 So, in terms of the Lexus  
6 distribution system, they're all  
7 distribution systems that Toyota -- is it  
8 Toyota Motor Corporation or Toyota Motor  
9 Sales is involved?

10 A. Toyota Motor Sales.

11 Q. And what is the relationship  
12 or the distribution relationship for  
13 Lexus dealerships?

14 A. Lexus is a separate  
15 division. It administers its  
16 relationship with the dealers through  
17 four area offices. One is in New Jersey,  
18 one is in Atlanta, one is in Chicago, and  
19 one is in Orange County, California.

20 Q. Is there a main office for  
21 the Lexus distribution system?

22 A. The Lexus division is  
23 headquartered in Torrance.

24 Q. At the same office as Toyota  
25 Motor Sales, sir?

1           A.     They are in a separate  
2     building.

3           Q.     Who is the head of the Lexus  
4     division?

5           A.     Mark Templin, T-E-M-P-L-I-N.

6           Q.     And just to complete Exhibit  
7     44, it looks like there's 47 dealerships  
8     in the Central area?

9           A.     Yes.

10          Q.     And then there are 62  
11     dealerships in the Southern area?

12          A.     Yes.

13          Q.     From the copy I have, I  
14     can't tell the number for what I want to  
15     call the northeastern area.

16          A.     58, 5-8.

17          Q.     Now, when we were talking  
18     about Exhibit 37, I want to make sure  
19     that I properly understood you.

20                 Did I understand you to say  
21     that all of the franchised Toyota and  
22     Scion dealerships are independently owned  
23     except one?

24          A.     Yes. And I think it's  
25     important to note that even the one that



1 we own stock in is independently run.

2 Q. Thank you.

3 Now, on the Lexus side,  
4 Lexus dealerships, are all of those  
5 franchised dealerships independently  
6 owned?

7 A. Yes. And I think it's  
8 important to also note that there are  
9 Lexus dealerships that are owned by the  
10 owners of the Toyota private distributor.

11 Q. And just going back to make  
12 sure that the record is clear, do I  
13 understand correctly that TMS, referring  
14 to Exhibit 37, is the entity that enters  
15 into the franchise agreements with these  
16 independent owners?

17 A. Yes.

18 Q. And do I understand  
19 correctly with respect to Exhibit 44 that  
20 TMS is the entity that enters into the  
21 franchise agreements with the Lexus  
22 dealerships?

23 A. Yes.

24 Q. Thank you.

25 A. Just to clarify, though. In

1 the case of the private distributors,  
2 they are participants in that  
3 relationship, that franchise agreement,  
4 with the dealers in their area.

5 Q. And those private  
6 distributors would be referring to those  
7 you've mentioned in reference to Exhibit  
8 37, correct?

9 A. That's correct.

10 Q. Because there are no what I  
11 want to call private distributors for  
12 Lexus vehicles, true?

13 A. That's true.

14 Q. Thank you. I got that  
15 clarified and I appreciate it.

16 Help me clarify something,  
17 if you don't mind.

18 With respect to Exhibit 37  
19 and with respect to those private  
20 distributorships that exist in the  
21 regions of the Gulf states and the  
22 Southeast --

23 A. Yes.

24 Q. -- is there a franchise  
25 agreement between the distributor and

1 those dealerships for the privately owned  
2 distributorships, or is the franchise  
3 agreement between TMS and the dealership?

4 MS. DAWSON: Object to the  
5 form of the question as compound.

6 BY MR. PITRE:

7 Q. Thank you, sir. You may  
8 please explain.

9 A. The distributor also has a  
10 role in administering the dealer  
11 agreement.

12 Q. Now --

13 A. So, they select dealers, we  
14 approve them.

15 Q. Do they do anything more  
16 beyond merely bringing the dealership to  
17 the attention of TMS and TMS approving  
18 that dealership as a franchise?

19 A. Yes. They have their own  
20 financial relationship. They distribute  
21 cars. The distributor invoices the  
22 dealer themselves for vehicles and parts.  
23 So, they maintain the business  
24 relationship. They determine -- the  
25 distributors determine their pricing, and

1 the dealers pay the distributor pricing.  
2 And while we are party to the dealer  
3 agreement, the distributor is responsible  
4 for maintaining and managing their dealer  
5 body.

6 Q. What about warranty-type  
7 information or warranty work. Is that  
8 something that is done by TMS, the  
9 distributor?

10 A. The distributor has service  
11 personnel that work with their dealers,  
12 and they process to TMS.

13 Q. Have you told me everything  
14 that at least you understand about the  
15 relationship between the distributors and  
16 the dealers and TMS in those areas where  
17 there's a private distributorship  
18 agreement in place?

19 A. I don't understand the  
20 question.

21 Q. Sure.

22 Does Toyota Motor Sales  
23 become involved in any other way with the  
24 distributor and the dealer, other than as  
25 you've indicated, for those

1 distributorships?

2 A. We work through the  
3 distributor in terms of issues with  
4 regard to their dealers.

5 Q. When you say "working  
6 through," would that also include issues  
7 regarding the performance of the vehicle,  
8 if there was a safety problem or if there  
9 was a problem regarding warranty work.

10 MS. DAWSON: Object to the  
11 form of the question, vague and  
12 ambiguous.

13 THE WITNESS: The customer  
14 satisfaction surveys are similar.  
15 The 800 number is the same at TMS.  
16 But in terms of working through  
17 once an 800 number or a customer  
18 calls in on the 800 number, we  
19 work back through the distributor  
20 to the dealer.

21 BY MR. PITRE:

22 Q. And is there an individual  
23 at TMS who would have the most  
24 information about the nature of the  
25 relationships between private

1 distributors and TMS in these regions?

2 A. I don't understand the  
3 question.

4 Q. Sure.

5 Can you identify who within  
6 TMS would have the best information about  
7 the nature of the relationship, what TMS  
8 does with respect to these  
9 distributorships?

10 A. So, if the question is who  
11 would have the best knowledge regarding  
12 the distributor agreement?

13 Q. Yes, sir.

14 A. I would say the legal  
15 department at TMS.

16 Q. And is there an individual  
17 within that legal department that you  
18 deal with?

19 A. There is, but I don't know  
20 if she'd be the best person to ask.

21 Q. Who would be the best  
22 person, in your mind?

23 A. I don't know whether she'd  
24 know everything, but Deborah Goldman  
25 would be where I would start.

1 Q. Did you say Bowman?

2 A. Goldman.

3 Q. Goldman.

4 Again, in the Torrance  
5 office?

6 A. Yes.

7 Q. Thank you, sir. I  
8 appreciate that.

9 If you could, just pull  
10 Exhibit 36.

11 Sir, how did you come into  
12 possession of Exhibit 36? And just so  
13 you can just see which one I'm referring  
14 to, it is up on the screen.

15 A. Yes.

16 Q. How did you come into  
17 possession of this exhibit?

18 A. The legal team provided it  
19 to me.

20 Q. The legal team, referring to  
21 the people who are sitting to your left?

22 A. Yes.

23 Q. And do you know the source  
24 of this information?

25 A. I don't.

1 Q. Did you speak to anybody  
2 about this information? Because I see  
3 you have various little marks that you've  
4 made on the document.

5 A. Yeah. Not because I spoke  
6 to somebody specifically with regard to  
7 the entities, although I did ask about  
8 the investment company that we had talked  
9 about before, only to try and understand  
10 what they did, not in connection with the  
11 case.

12 Q. With whom did you speak?

13 A. I made a casual call to an  
14 individual by the name of Joe Barba.

15 Q. And please tell me, what is  
16 Mr. Barba's title or position?

17 A. I don't know his exact  
18 title. But he works with -- he actually  
19 worked in the Mexico office at one time.

20 Q. Of what entity or  
21 organization?

22 A. I believe he was always a  
23 TMS employee, even while he was assigned  
24 down there.

25 Q. And where does he work



1 today, as you understand it?

2 A. In Torrance.

3 Q. For TMS?

4 A. Yes.

5 Q. In what department or  
6 division?

7 A. He works in the distribution  
8 department and supports Mexico for their  
9 vehicle allocations.

10 Q. Did you speak to anybody  
11 else about any of the information that  
12 appears on this exhibit?

13 A. The TMPS company we spoke to  
14 TMA about.

15 Q. That's Toyota Motor America  
16 or Toyota North America?

17 A. Toyota North America.

18 Q. And who did you speak to  
19 there about that information?

20 A. That was the discussion with  
21 Dian.

22 Q. Okay.

23 Anyone else that you spoke  
24 to about the source of the information on  
25 Exhibit 36?

1           A.     I mentioned Bruce Brownlee's  
2     name earlier when I was tracking  
3     information regarding TTC. He's the one  
4     that told me about -- he confirmed the  
5     TSS supplier.

6           Q.     Anyone else?

7           A.     I spoke with Roman whatever  
8     his last name is at TMMNA with regard to  
9     the TMM-CA entity.

10          Q.     Did you say TMMNA?

11          A.     No, TM -- yes. Excuse me.  
12     Sorry. That was the previous company. I  
13     spoke to someone at TEMA. His name was  
14     Roman. If I could find my original  
15     document, I could tell you his last name.

16                     (Witness reviewing  
17     document.)

18                     To Courtney Roman, and he  
19     gave me the explanation for TMM-CA, which  
20     was the company that managed the Tacoma  
21     purchase or administrative activities  
22     associated with Tacoma when it was built  
23     at NUMMI.

24          Q.     Did you speak to anyone  
25     else, sir?

1           A.     I mentioned that I talked  
2 with Dan Fuchs.

3           Q.     Yes, sir.

4           A.     And he referred me to  
5 Courtney Roman.

6           Q.     Anyone else, sir?

7           A.     Again, I had talked to  
8 Martin Smith about the subsidiaries for  
9 TLS. They're not on here, but...

10          Q.     And what entity or  
11 organization was Mr. Smith with?

12          A.     He's TMS legal.

13          Q.     Okay.

14          A.     And that's as it pertained  
15 to the joint venture limited liability  
16 companies.

17          Q.     Okay.

18                 Anyone else that you spoke  
19 to about the information on Exhibit 36?

20          A.     Not that I can recall.

21          Q.     Based on the manner in which  
22 you obtained this document and the  
23 individuals that you spoke with, and  
24 having reviewed this document, do you  
25 believe that the document is a

1 trustworthy document with respect to the  
2 information depicted?

3 A. With the exception being the  
4 updates and changes. So, for instance,  
5 NUMMI is no longer an entity.

6 Q. Anything else?

7 A. Not that I'm aware of.

8 Q. The document is as of May,  
9 2008. Are you aware of any more current  
10 information about the various entities  
11 reflected here or the acronyms that are  
12 used?

13 A. I'm not aware of any.

14 Q. Okay.

15 So, is it, to your  
16 knowledge, the best information that  
17 exists regarding the various Toyota and,  
18 excuse me, the various U.S. and Canada  
19 Toyota entities?

20 A. As far as I know.

21 Q. Now, the hierarchy or the  
22 organizational chart that is here, it's  
23 under the umbrella TMC. Do you see that,  
24 sir?

25 A. I do.

1 Q. Did you obtain any  
2 verification from any source that TMC is,  
3 indeed, the parent company of all of the  
4 various entities listed below TMC?

5 MR. ARYA: Objection, legal  
6 conclusion.

7 MS. DAWSON: Objection,  
8 form.

9 MR. ARYA: You can answer.

10 THE WITNESS: I don't know  
11 if there are any other holding  
12 companies or companies that might  
13 be there. This would reflect my  
14 understanding.

15 BY MR. PITRE:

16 Q. And just so I can understand  
17 it, this organizational chart, what do  
18 you understand that it portrays?

19 A. I believe it reflects the  
20 ownership of the various entities beneath  
21 it. I would add that in the case of TCI  
22 over on the far right-hand side also  
23 shows a 50 percent interest of Matsui &  
24 Company.

25 Q. So, when you say "ownership

1 interest," is it your understanding that  
2 TMC is the -- what I call at the top, is  
3 the owner in various interests of all of  
4 the entities listed below that line?

5 MS. DAWSON: Object to the  
6 form of that question.

7 BY MR. PITRE:

8 Q. Go ahead.

9 A. As far as I know.

10 MS. DAWSON: Let me just  
11 clarify. When you say "below the  
12 line," are you suggesting every  
13 single thing below the line? I  
14 mean, because the lines  
15 themselves, I think, don't suggest  
16 that.

17 BY MR. PITRE:

18 Q. Well, I'm just asking for  
19 your understanding of this document as  
20 the person who used this to prepare.

21 TMC appears at the top,  
22 right? Is that correct?

23 A. Yes.

24 Q. And then let's look at the  
25 first line. There's a whole bunch of

1 entities that are all defined up above,  
2 correct?

3 A. Yes.

4 Q. And then next to some of  
5 them, there are percentages like NUMMI,  
6 50 percent, correct?

7 A. Right. Which we discussed  
8 earlier.

9 Q. Correct.

10 So, what is your  
11 understanding, then, that this chart  
12 portrays in terms of the ownership that  
13 TMC has for the various entities listed  
14 below it?

15 MR. ARYA: Objection. Are  
16 you -- just for clarification, are  
17 you talking about those eight  
18 entities in the first line or  
19 everything on the page?

20 BY MR. PITRE:

21 Q. Well, let's take the first  
22 line. What is your understanding of the  
23 ownership interest that TMC has with  
24 respect to those on the first line?

25 A. With the exception of what's

1 in the pre-emphases, which I believe  
2 reflects ownership by other companies,  
3 TMC owns the difference.

4 Q. Okay.

5 So, now if I go to TMA,  
6 there are three different entities below  
7 TMA. Is it your understanding that TMS,  
8 in terms of this hierarchy, reports to  
9 TMA?

10 MS. DAWSON: Object to the  
11 form of the question, vague and  
12 ambiguous.

13 BY MR. PITRE:

14 Q. Let me rephrase.

15 Is it your understanding  
16 that TMS is a wholly owned subsidiary of  
17 TMA?

18 A. I believe that to be the  
19 case.

20 Q. And is it your then  
21 understanding that TMA is a wholly owned  
22 subsidiary of TMS -- excuse me -- TMC?

23 A. With the exception of the  
24 one-tenth of a percent that reflects TMS  
25 owning a piece of TMA.



1 Q. And then is it your  
2 understanding that TMA owns TMPS?

3 A. That's my understanding.

4 Q. And TEMA?

5 A. That is also my  
6 understanding.

7 MS. DAWSON: Wait. I'm  
8 sorry. And TEMA. Let's clarify  
9 that question.

10 BY MR. PITRE:

11 Q. Is it your understanding  
12 that TMA owns 100 percent of TEMA based  
13 on this chart?

14 A. I think as a holding  
15 company, it has the investment.

16 Q. All right.

17 And then if I went down the  
18 line, TEMA would then be -- have the  
19 ownership interest in all of those  
20 companies that are below that line; is  
21 that correct?

22 A. There are some exceptions  
23 called out in the pre-emphases.

24 Q. Got it.

25 And that's TMM-CA, CCP, TABC

1 and TMMBC; is that correct?

2 A. Yes.

3 Q. All right.

4 And then going over to the  
5 left-hand side under TMS, all of the  
6 entities that are listed there are  
7 entities that are either owned wholly or  
8 in part by TMS; am I correct?

9 A. Yes.

10 Q. All right.

11 A. I would point out, though,  
12 that Toyota de Puerto Rico on the other  
13 chart shows a breakout of preferred stock  
14 and common stock with TMS only for common  
15 stock.

16 Q. Very well. Thank you, sir.

17 If you'd go over to Exhibit  
18 38. Can you please describe for me how  
19 it is you came into possession of Exhibit  
20 38?

21 A. The legal team provided it.

22 Q. Did you speak to anybody  
23 about the information that was contained  
24 in Exhibit 38, other than the legal team?

25 A. No, I don't recall speaking

1 to anyone regarding this.

2 Q. And I take it that you also  
3 reviewed some of the information in  
4 Exhibit 38 preparing to testify, correct?

5 A. Yes.

6 Q. Did you find any information  
7 that was contained in Exhibit 38 that was  
8 inconsistent or contradictory to the  
9 knowledge you had about any of these  
10 entities?

11 A. I found a description for  
12 research and development under TTC to be  
13 worded in such a way that it seemed to me  
14 perhaps exaggerated some of its  
15 activities.

16 Q. Now, if you could, you say  
17 under TC. What's the title on that page?

18 A. TTC, it's the second page.

19 Q. Okay.

20 Now, do you know who wrote  
21 this?

22 A. I don't.

23 Q. Do you know what sources of  
24 information were used to prepare this?

25 A. I don't.

1 Q. Do you deal with TTC on a  
2 daily basis currently based on your title  
3 or position?

4 A. No, not currently.

5 Q. When is the last time that  
6 you've had any dealings with anyone at  
7 TTC?

8 A. Other than the calls and  
9 notes that I exchanged with Bruce  
10 Brownlee, it's been a while. A couple of  
11 years.

12 Q. Okay.

13 Is it part of your  
14 responsibility in your current title and  
15 position to review any documents that are  
16 generated by TTC?

17 A. No.

18 Q. And did you independently  
19 seek to speak to anybody about the  
20 information in TTC after you received the  
21 assignment to testify here today about  
22 the various -- excuse me -- about Toyota  
23 Motor Sales and the organizational  
24 structure?

25 A. About?

1 Q. About the information  
2 depicted on the research and development  
3 section of this document.

4 A. No.

5 Q. Okay.

6 Anything else, sir, that you  
7 picked up that you thought was different  
8 from at least information that you had  
9 developed in your 28 years with Toyota,  
10 and by that I mean Toyota Motor Sales.

11 MR. ARYA: You just want to  
12 know if anything struck him as  
13 being inconsistent?

14 MR. PITRE: Correct.

15 MR. ARYA: Did anything  
16 strike you as being inconsistent?

17 THE WITNESS: I'm just  
18 double checking to make sure when  
19 I read through it.

20 MS. DAWSON: Take your time.

21 (Witness reviewing  
22 document.)

23 THE WITNESS: No.

24 BY MR. PITRE:

25 Q. And based on the manner in

1 which you obtained this document and your  
2 experience, is it your belief that the  
3 information that's reflected here on  
4 Exhibit 38 is trustworthy?

5 A. Yes.

6 Q. Let's go to Exhibit 39, sir.  
7 We've talked about Exhibit 39 quite a  
8 bit. Again, my first question to you is,  
9 please tell us how it is that you  
10 obtained Exhibit 39.

11 A. Again, from the legal team.

12 Q. Did you speak to anybody  
13 independently about the contents of any  
14 of the information in Exhibit 39?

15 A. Not beyond what we've  
16 already discussed.

17 Q. Okay.

18 And based on the source on  
19 which you obtained this information and  
20 based on anybody you spoke to, do you  
21 believe that the information reflected on  
22 Exhibit 39 is trustworthy?

23 A. Again, with the updates to  
24 address situations like the demise of  
25 NUMMI. NUMMI is no longer an entity.

1 Q. Okay.

2 Now, if you could, if you  
3 would be so kind. Look at where it says  
4 "Toyota's United States Operations." And  
5 if you would, on the page that begins  
6 with "Toyota Motor North America, Inc."

7 A. Yes.

8 Q. Do you have that?

9 A. Yes.

10 Q. The information that's  
11 listed under "Toyota Motor Sales,  
12 U.S.A.," the fact that it is  
13 headquartered in Torrance and the rest of  
14 that information, is that accurate?

15 MS. DAWSON: Object to the  
16 form of the question, vague and  
17 ambiguous.

18 BY MR. PITRE:

19 Q. Okay.

20 Let me rephrase.

21 The information, "Toyota  
22 Motor Sales, U.S.A. headquartered in  
23 Torrance," is that accurate?

24 A. Yes.

25 Q. Under "Lexus,"

1 "Headquartered in Torrance," is that  
2 accurate?

3 A. Yes.

4 Q. Under "Toyota Logistics  
5 Services," "Headquartered in Torrance,"  
6 is that accurate?

7 A. Yes.

8 Q. Under "North American Parts  
9 Operations," "Headquartered in Torrance,  
10 California," is that accurate?

11 A. This company NAPO, yes.

12 Q. Referring to North American  
13 Parts Operations?

14 A. Yes.

15 Q. The information under  
16 "AirFlite, Inc.," "Headquartered in Long  
17 Beach, California," is that accurate?

18 A. Yes.

19 Q. "Aviation Business  
20 Development Office," "Headquartered in  
21 Torrance, California," is that  
22 information accurate?

23 A. Yes.

24 Q. "Toyota Financial Services,"  
25 "Headquartered in Torrance, California,"



1 is that accurate?

2 A. Yes:

3 Q. "Calty Design Research  
4 Inc.," "Headquartered in Newport Beach,"  
5 is that accurate, sir?

6 A. Yes.

7 Q. Going over to the next page,  
8 "Manufacturing and Engineering."

9 "TRD, U.S.A., Inc.,"  
10 "Headquartered in Costa Mesa,  
11 California," is that accurate?

12 A. Yes.

13 Q. "Toyota Info Technology  
14 Center," "Headquartered in Mountain View,  
15 California," is that accurate?

16 A. I'm not familiar with that  
17 office, but I believe it to be accurate.

18 Q. What is the Toyota Info  
19 Technology Center?

20 A. It's an office that's set up  
21 to evaluate and develop new technologies  
22 for next generation cars and service  
23 applications and improve communications,  
24 safety and performance.

25 Q. Thank you, sir.

1                   Let's go over to the next  
2 document. Exhibit 41, if you would be so  
3 kind, sir. This just looks like a clean  
4 copy of what we previously discussed that  
5 had your handwritten notes on it; is that  
6 correct?

7                   A.     Yes.

8                   Q.     And just for the record,  
9 that's Exhibit 36, sir? I'll hold it up  
10 for you to make it easy.

11                  A.     It looks right and  
12 confirmed.

13                  Q.     Thank you.

14                         And then we have Exhibit 40,  
15 which appears to be the same, except for  
16 the handwritten notes, as what you  
17 previously had as Exhibit Number 35.  
18 I'll hold those up for you, sir.

19 (Indicating.)

20                  A.     Yes.

21                  Q.     Is that correct?

22                  A.     (Witness nods.)

23                  Q.     Now, we come to one that I  
24 will refer to as the Italian method where  
25 I actually pasted together all the pages

1 of Exhibit 42 so we can lay them out on  
2 the table and get an idea of the  
3 organizational structure.

4 A. Okay.

5 Q. Now, what I'm going to do,  
6 if you don't mind --

7 MR. PITRE: Am I going to be  
8 in trouble if I walk around here  
9 so I can see this? Or maybe can  
10 you come over on my --

11 THE VIDEOTAPE TECHNICIAN:  
12 You can.

13 MR. PITRE: I can?

14 THE VIDEOTAPE TECHNICIAN:  
15 Yeah.

16 MR. PITRE: Evan, would you  
17 put up the third page of Exhibit  
18 42.

19 BY MR. PITRE:

20 Q. Just for the record, what  
21 I've done is I've taken Exhibit 42 and  
22 laid them out so you can get a clear  
23 depiction of the hierarchy.

24 And my first question to  
25 you, sir, is, does Exhibit 42 accurately

1 depict what you understand the  
2 organizational structure of Toyota Motor  
3 Sales is?

4 A. Is it all right if --

5 MR. PITRE: Can you blow up  
6 the top box?

7 THE WITNESS: Yes, at the  
8 senior executive level.

9 BY MR. PITRE:

10 Q. Okay.

11 And is this current, meaning  
12 as of the year 2010, as you best  
13 understand it?

14 A. Yes.

15 Q. Now, at the very top, if I  
16 understand it, is the chairman and CEO,  
17 Yoshimi Inaba; is that correct?

18 A. Yes.

19 Q. And he holds the position as  
20 well, it looks like, "TMA Management  
21 Group"; is that correct?

22 A. Yes.

23 Q. Now, do you know what the  
24 position number under that refers to?

25 A. I do not.

1 Q. And up above where it says  
2 "HQ34."

3 Do you know what that means?

4 A. It's the mail drop, I  
5 believe.

6 Q. Now, TMA as used here, is  
7 that Toyota Motor North America? This is  
8 how we started.

9 A. I believe it does.

10 Q. All right.

11 So, as we saw, there was an  
12 Exhibit 47?

13 A. Yes.

14 Q. And at the top of Exhibit  
15 47, there was another gentleman who was  
16 at the very top. Do you recall that,  
17 sir?

18 A. Yes.

19 Q. And his name again, refresh  
20 me?

21 A. Uranishi.

22 Q. Uranishi.

23 And you were correct,  
24 because you said, Mr. Pitre, that was --  
25 actually, you were kinder than that,

1       somebody said, I think it was John, Mr.  
2       Pitre, that was as of April 2008?

3             A.       Yes.

4             Q.       And now we're in 2010, and  
5       it looks like we have a new chairman --  
6       excuse me -- we have a new person as part  
7       of the TMA, or Toyota Motor North  
8       America, by the name of Inaba. Do you  
9       know if Inaba replaced the gentleman  
10      depicted on Exhibit 47?

11            A.       I don't know if that's the  
12      exact way to characterize it. I would  
13      say that Mr. Inaba's the senior executive  
14      assigned to TMA, or Toyota Motor North  
15      America, and has that similar role at  
16      Toyota Motor Sales.

17            Q.       So, using Exhibit 47 to  
18      depict the hierarchy, on Exhibit 47,  
19      there was somebody who was a chairman and  
20      CEO, correct?

21            A.       Yes.

22            Q.       On Exhibit Number 42, we  
23      have Mr. Inaba, and it says "TMA  
24      Management Group."

25                    What position do you

1 understand that he is in today with  
2 reference to Exhibit 47?

3 MS. DAWSON: Object to the  
4 form of the question. I think  
5 there's a way to make this a  
6 little bit more clear. Instead of  
7 referring to the exhibits, if you  
8 are asking about position held at  
9 Toyota Motor North America versus  
10 position held at Toyota Motor  
11 Sales, I think it would be cleaner  
12 on the record.

13 MR. PITRE: I appreciate  
14 that, but let's see if we can do  
15 it the Italian way, and then we'll  
16 try your way, Cari. It might be  
17 better.

18 BY MR. PITRE:

19 Q. I'm just trying to figure  
20 out, here we have a clear structure.  
21 That's Exhibit 47, correct?

22 MR. ROBINSON: Maybe Cari's  
23 giving you the answer.

24 MR. PITRE: Right.

25 BY MR. PITRE:

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1 Q. So, if you could, is there a  
2 position on Exhibit 47 that would help  
3 you recognize where it is Mr. Inaba is on  
4 Exhibit 47?

5 A. I think his role is the  
6 same. I'm just not sure whether Mr.  
7 Uranishi was in New York or not.

8 Q. Okay.

9 Now, when you say "his role  
10 is the same," Uranishi was the gentleman  
11 who formerly was --

12 A. The chairman.

13 Q. -- the chairman and CEO of  
14 Toyota North America, correct?

15 A. Yes.

16 MS. DAWSON: Object to the  
17 form of the question.

18 BY MR. PITRE:

19 Q. That's on Exhibit 47; is  
20 that correct?

21 A. Yes.

22 Q. And that's your  
23 understanding, correct?

24 A. Yes.

25 Q. Now we're on Exhibit 42.



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1 Did Mr. Inaba take the same position that  
2 Mr. Uranishi held on Exhibit 47?

3 MR. ARYA: Objection. I  
4 think it's been asked and  
5 answered.

6 Go ahead.

7 THE WITNESS: He has that  
8 title.

9 BY MR. PITRE:

10 Q. And the title is?

11 A. Chairman and CEO.

12 Q. All right.

13 So, just so it's clear, as  
14 you understand it today, Mr. Inaba is  
15 chairman and CEO of Toyota Motor Sales,  
16 and he is also chairman and CEO of Toyota  
17 North America; is that correct?

18 A. Yes.

19 Q. Thank you.

20 Now, if we go down the  
21 chain, we're on now Exhibit Number 42.  
22 The next person under there is a Rachel  
23 Rivera, executive assistant to the  
24 chairman. Now, Ms. Rivera, is she the  
25 executive assistant to the Chairman

1 Inaba, as chairman and CEO of Toyota  
2 Motor Sales?

3 A. Yes.

4 Q. Is she also the executive  
5 assistant to the chairman, meaning Mr.  
6 Inaba, for Toyota Motor North America?

7 A. I don't know.

8 MR. ARYA: Objection, vague,  
9 ambiguous.

10 BY MR. PITRE:

11 Q. If we go back to our chart  
12 and we go to the next line down, I'm  
13 going all the way now to your left, it  
14 says, "Senior VP and treasurer."

15 Can you read who's the name  
16 that's reflected there?

17 A. Mr. Kusakawa.

18 Q. By the way, before I leave  
19 Mr. Inaba, do you know whether Mr. Inaba  
20 holds any title or position as a director  
21 of Toyota Motor Corporation?

22 A. He is a director of Toyota  
23 Motor Corporation.

24 Q. All right.

25 And just so we're all clear,

1 as we kind of sit here today, he holds  
2 three titles, to your knowledge. He  
3 holds the title of Toyota Motor  
4 Corporation director; is that correct?

5 A. Yes.

6 Q. Chairman and CEO of Toyota  
7 Motor Sales, correct?

8 A. Yes.

9 Q. Chairman and CEO of Toyota  
10 North America, Inc., correct?

11 A. Yes.

12 Q. All right.

13 So, now we're going down  
14 again to senior VP and treasurer,  
15 Kusakawa. I apologize. I'm looking at  
16 it upside down, so square me away if I  
17 mispronounced it.

18 MR. PITRE: Could we just  
19 move that over a little bit, Evan,  
20 so I can get the name?

21 BY MR. PITRE:

22 Q. Now, it says here  
23 "Officers - Treasurer."

24 Now, does that indicate to  
25 you that Ms. Kusakawa is also the

1 treasurer of Toyota Motor North America?

2 A. No.

3 Q. Because at the top it says  
4 "Senior VP and treasurer." At the bottom  
5 it says "Officers - Treasurer."

6 Do you understand why those  
7 two different titles are listed there?

8 A. I believe he's an officer of  
9 TMS.

10 Q. An officer of TMS.

11 And that officer position is  
12 what?

13 A. He's the treasurer.

14 Q. And does Mr. Kusakawa also  
15 hold the position of senior vice  
16 president?

17 A. Yes.

18 Q. So, is it your understanding  
19 that both those titles, treasurer and  
20 senior VP, refer to positions within  
21 Toyota Motor Sales?

22 A. Yes.

23 Q. Do you know whether Mr.  
24 Kusakawa has any titles or positions  
25 within Toyota North America?

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1 A. I don't know.

2 Q. Do you know whether he has  
3 any title or position within Toyota Motor  
4 Corporation?

5 A. I'm not sure.

6 Q. Okay.

7 MR. PITRE: Just slide over,  
8 please, to the next box, same  
9 line.

10 BY MR. PITRE:

11 Q. And, again, the way I'm  
12 looking at it, it's under "Senior Vice  
13 President - Chief Coordinating Officer."

14 Do you have that box there?  
15 Okay. Sir, do you see that?

16 A. Yes.

17 Q. Is that a position within  
18 Toyota Motor Sales?

19 A. Yes.

20 Q. Now, underneath that it says  
21 "Japan Staff Officers."

22 What does that mean or refer  
23 to?

24 A. I'm not sure.

25 Q. Do you know whether or not

1 Mr. Yamanami has any position in Japan  
2 for a different Toyota organization than  
3 Toyota Motor Sales?

4 A. I'm only familiar that he  
5 has a responsibility at Toyota Motor  
6 Sales.

7 Q. Have you ever heard the term  
8 "Japan Staff Officers"?

9 A. Not specifically.

10 Q. If not specifically,  
11 generally?

12 A. Japan staff has a management  
13 group. I'm not exactly sure how they  
14 refer to themselves.

15 Q. What does Japan staff refer  
16 to when you've heard that term used?

17 A. TMS has numerous Japanese  
18 coordinators and executive managers that  
19 typically come from Japan or TMC, perhaps  
20 some other international assignment, and  
21 they fulfill senior roles at TMS.

22 Q. What roles do you understand  
23 that they fulfill at TMS here in the  
24 United States?

25 A. Well, at the executive

1 level, they oversee, for instance, the  
2 finance. In Max's case, he coordinates  
3 with Don Esmond, who is the senior vice  
4 president for automotive operations. So,  
5 he's engaged in the evaluation and  
6 support of both Lexus, Toyota and Scion.  
7 And he has executives beneath him that  
8 also work inside the working groups and  
9 provide support at that level, and they  
10 communicate directly with TMC to  
11 facilitate good communication.

12 Q. Now, in sliding across, bear  
13 with me, on Exhibit 42, Jim Lentz,  
14 president and --

15 A. Yes.

16 Q. Pardon?

17 A. Yes.

18 Q. President and COO. Do you  
19 see that?

20 A. Yes.

21 Q. All right.

22 Now, how long has he been  
23 president, to your knowledge?

24 A. I'm not exactly sure when he  
25 was given the title or assumed that

1 position, but I would say roughly five  
2 years.

3 Q. Now, at least on this  
4 organizational chart and the way it's  
5 structured, he looks like he's on the  
6 same line as Mr. Kusakawa, Yamanami, Mr.  
7 Fournier, Mr. Yamaguchi, Ms. or Mr.  
8 Sugaware and Mr. Takayanagi. Did I get  
9 that right?

10 A. Good guess for me.

11 Q. I'm not giving it the  
12 Italian pronunciation there?

13 A. Takayanagi.

14 Q. All right.

15 What is your understanding  
16 of having these individuals all on the  
17 same line? Do you have any?

18 A. Well, I can say for  
19 certainty that it's not intended to  
20 reflect the level of the organization.  
21 Tom Fournier is the equivalent of a  
22 national manager and a TMS associate. He  
23 happens to be assigned to Mr. Inaba and  
24 directly reports to Mr. Inaba. So, I  
25 think this reflects the reporting



1 structure, not necessarily the level of  
2 responsibility.

3 Q. Got it.

4 So, everybody at least below  
5 Mr. Inaba reports to Mr. Inaba; is that  
6 true?

7 MR. ARYA: At what level  
8 below him?

9 BY MR. PITRE:

10 Q. We talked about this first  
11 line referring to the individuals that I  
12 just articulated for the record starting  
13 with the title Senior VP Treasurer, going  
14 over senior VP, chair, coordination  
15 officer, going over to the president, and  
16 everybody else on this line. Do they all  
17 report directly to Mr. Inaba based on  
18 your understanding of the organizational  
19 hierarchy of TMS?

20 A. The organizational chart,  
21 yes.

22 Q. Okay.

23 Now, do you know who  
24 prepared Exhibit 42?

25 A. I do not.

1 Q. Did you request that it be  
2 prepared?

3 A. It's a document that exists  
4 on -- in the company, and so I did not  
5 request this to be created, but it is  
6 useful.

7 Q. Do you know who in TMS is  
8 responsible for maintaining the chart  
9 from which this came?

10 A. I do not.

11 Q. You reviewed the chart  
12 before you came here today, correct?

13 A. Yes.

14 Q. And based on your review,  
15 did it appear accurate based on your  
16 understanding of the knowledge of TMS as  
17 an organization for 28 years?

18 MS. DAWSON: Object to the  
19 form of the question.

20 MR. PITRE: Strike that.

21 BY MR. PITRE:

22 Q. Based on your review of TMS  
23 and based on your knowledge of its  
24 present organizational structure, did it  
25 appear accurate to you?

1           A.     I believe it reflects the  
2     current status of the organization.

3           Q.     Okay.

4                     Did you speak to anybody  
5     about its content?

6           A.     No.

7           Q.     Do you believe that Exhibit  
8     42, then, is an accurate and trustworthy  
9     document that depicts the hierarchy  
10    within TMS currently?

11                    MS. DAWSON: Object to the  
12    form of the question. Testimony  
13    regarding reporting structure.

14                    THE WITNESS: Yeah. I  
15    explained that I don't think it  
16    properly reflects the hierarchy  
17    noting that Tom Fournier as  
18    national manager is not the same  
19    level as Jim Lentz as president.

20    BY MR. PITRE:

21           Q.     Okay.

22                     What does it accurately  
23    depict?

24           A.     It reflects the individuals  
25    that report directly to Mr. Inaba.

1 Q. Now, using Exhibit 42, how  
2 would you describe the organization of  
3 the Toyota Motor Sales entity?

4 MS. DAWSON: Object to the  
5 form of the question.

6 THE WITNESS: I don't  
7 understand the question.

8 BY MR. PITRE:

9 Q. Sure.

10 You have various segments  
11 that are divided out here, correct?

12 A. Yes.

13 Q. So, you've got a group vice  
14 president, you've got somebody who is a  
15 treasurer. Is that kind of finance  
16 related?

17 A. Yes.

18 Q. Then you have a section over  
19 here that says "Chief Coordinating  
20 Officer."

21 What does a coordinating  
22 officer do?

23 A. He is actually the second in  
24 command to Mr. Inaba. So, he's  
25 coordinating officer that the rest of the

1 Japan staff reports to. I'm not 100  
2 percent sure if Mr. Kusakawa reports to  
3 him, but he facilitates the communication  
4 amongst the Japan staff.

5 Q. So, this coordination  
6 position, is that one of coordination  
7 between the Japan staff, meaning Toyota  
8 Motor Corporation, and Toyota Motor  
9 Sales? What?

10 A. It would be internal Japan  
11 staff coordination at TMS and  
12 coordination with Toyota Motor  
13 Corporation.

14 Q. All right.

15 So, when we see chief  
16 coordination officer, it refers to  
17 coordination between Japan, whether the  
18 staff is TMS staff or TMC staff; is that  
19 true?

20 MR. ARYA: Objection, vague  
21 and ambiguous.

22 Go ahead. Do you understand  
23 what he means?

24 THE WITNESS: Could you  
25 clarify the question, please?

1 BY MR. PITRE:

2 Q. Absolutely.

3 When it says "Coordination  
4 Officer," is it your understanding that  
5 "coordination" refers to coordinating  
6 between affiliates at TMC in Japan as  
7 well as affiliates of TMS in Japan?

8 MR. ARYA: Same objection.

9 THE WITNESS: My  
10 understanding of his role is that  
11 he communicates at an executive  
12 level with TMC regarding Toyota  
13 Motor Sales operations. The  
14 various executives that he  
15 coordinates at TMS would not only  
16 coordinate information with him,  
17 but they would also communicate  
18 with their facing departments in  
19 Japan at Toyota Motor Corporation.

20 BY MR. PITRE:

21 Q. Now, as part of that  
22 position, you said it includes sales,  
23 correct?

24 A. Sales directly engages with  
25 him, yes.

1 Q. Okay.

2 Does it include marketing,  
3 distinct from sales?

4 MS. DAWSON: Object to the  
5 form of the question. It is  
6 beyond the scope this witness has  
7 been designated to testify about.

8 BY MR. PITRE:

9 Q. Go ahead.

10 A. The org charts that we  
11 looked at earlier that had marketing  
12 reporting through the divisions would  
13 reflect the nature of marketing as it  
14 pertains to the divisions and as to how  
15 information regarding marketing would  
16 also be transferred to Max.

17 Q. Does it also relate to  
18 engineering or technical concerns for  
19 Toyota vehicles?

20 MR. ARYA: Objection, vague,  
21 ambiguous.

22 THE WITNESS: I don't know.

23 BY MR. PITRE:

24 Q. Now, if we just kind of go  
25 down below, there's a line and there's an

1 executive assistant that Mr. Yamanami  
2 has, correct?

3 A. Yes.

4 Q. That's a Ms. or Mr. Asano?

5 A. Ms.

6 Q. Ms. Asano, all right.

7 And then we have vice  
8 presidents. It looks like you have got  
9 1, 2, 3, 4 vice president positions,  
10 correct?

11 A. Right.

12 Q. And they are all part of the  
13 coordination office?

14 A. Yes.

15 Q. Is it called the  
16 coordination office or is there a  
17 different name given to that group?

18 A. I don't hear it referred to  
19 that way. I think the function is such  
20 that he's a senior executive, and our  
21 division automotive executives, the  
22 general managers of the divisions and the  
23 senior vice president of automotive  
24 operations, worked through him,  
25 communicate to him what's going on, and



1 also communicate with him with regard to  
2 any support they need from TMC.

3 Q. Okay.

4 Now, you used the word  
5 "Operations." When you use the term  
6 "operations" or "automotive operations,"  
7 please describe what you mean.

8 A. I'm talking about what's  
9 going on with the divisions, which is  
10 Toyota division and Lexus division, as it  
11 pertains to sales and our production,  
12 vehicle availability and activities in  
13 the North American market.

14 Q. All right.

15 So, within Mr. Yamanami's,  
16 what I want to call group, there's a  
17 responsibility for coordination, as  
18 you've described it for both operations,  
19 products and sales; is that correct?

20 A. If you're referring to my  
21 comment, I said production, but --

22 Q. Production. I apologize.

23 A. That's okay.

24 Mr. Ogawa, I'm familiar with  
25 him, and he is the coordinator for the

1 advanced product strategy and product  
2 planning area.

3 Q. Okay.

4 Now, is that part of Mr.  
5 Yamanami's group or does that now blend  
6 over into Jim Lentz's group?

7 A. Well, it blends over to Jim  
8 Lentz's groups, but the coordinators  
9 aren't necessarily assigned to the  
10 groups, they are assigned to the  
11 individuals, and the individuals are  
12 assigned to the groups.

13 Q. All right.

14 So, focusing only on Mr.  
15 Yamanami now, have you now given me your  
16 understanding of the reporting  
17 responsibilities and the types of  
18 activities conducted by those who report  
19 to him being operations, production and  
20 sales?

21 A. Yes. But, again, I pointed  
22 out that Mr. Ogawa --

23 Q. Yes.

24 A. -- is group vice president  
25 and coordinating officer, and he

1 coordinates with the product planning  
2 department.

3 Q. All right. All right.

4 So, now, let's go over to  
5 Jim Lentz's group. Jim Lentz is at the  
6 top, and it looks like he has at least  
7 three different people with direct  
8 reporting responsibility to him based on  
9 this chart. Am I interpreting the chart  
10 accurately?

11 A. Plus his assistant.

12 Q. Plus his assistant.

13 A. Yes.

14 Q. Okay.

15 If I set aside the assistant  
16 for one moment, there's three different  
17 groups that report to him. It looks like  
18 advanced product --

19 A. Strategy.

20 Q. -- strategy and production?

21 A. Product development --  
22 product planning, excuse me.

23 Q. And that's handled by a  
24 gentleman named Hostetter?

25 A. Hostetter.

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1 Q. Okay.

2 And please tell me, what is  
3 done in that particular group or  
4 division, what operations?

5 A. That group includes product  
6 planning, advanced product development  
7 and strategic planning.

8 Q. Now, does that group have  
9 any responsibility for investigating  
10 sudden acceleration events?

11 A. Not that I'm aware of.

12 Q. Does it have any involvement  
13 in design or development of brake  
14 override systems?

15 A. I don't know.

16 Q. Does it have any  
17 responsibility for the design or the  
18 development of electronic throttle  
19 control systems?

20 A. I would say no, but they are  
21 involved in planning product. Normally  
22 that includes the configuration of the  
23 vehicle, the styling of the vehicle and  
24 the content. They don't do engineering.

25 Q. Can you point on Exhibit 42

1 to any group that, to your knowledge, is  
2 involved with design or development of  
3 electronic throttle control systems?

4 A. TMS doesn't normally engage  
5 in that. While I'm sure there are people  
6 there that want to understand it, they  
7 are not involved in engineering.

8 Q. Is there any group on this  
9 chart that depicts, or at least  
10 represents, what division has  
11 responsibility for handling customer  
12 complaints of sudden acceleration?

13 MR. ARYA: Objection, vague,  
14 ambiguous as to handling customer  
15 complaints.

16 Go ahead.

17 THE WITNESS: It would be  
18 easier to use an American staff  
19 chart, since I'm not that familiar  
20 with the Japanese coordinators at  
21 the senior level.

22 BY MR. PITRE:

23 Q. So, are you saying that  
24 Exhibit 42 is not an American chart?

25 A. As you can see here, most of

1 the individuals have Japanese names.  
2 It's a Toyota Motor Sales chart, but at  
3 the executive coordinator level, which is  
4 where most of the individuals are that  
5 report directly to Mr. Inaba, they are  
6 Japanese and TMC associates.

7 Q. Is there another chart that  
8 would be the American chart?

9 MS. DAWSON: Let me pull out  
10 Exhibit 45.

11 MR. PITRE: There we go.

12 BY MR. PITRE:

13 Q. Is that Exhibit 45?

14 MS. DAWSON: 45 is the  
15 oversized --

16 MS. HANNA: 45 is the big  
17 one.

18 THE WITNESS: Yeah. This  
19 one. This one's probably easier  
20 to work from.

21 BY MR. PITRE:

22 Q. Can you tell me, what is the  
23 difference between Exhibit 42 and 45?

24 A. The difference is that Mr.  
25 Inaba is on here and then Jim Lentz is

1 the president. And then the direct  
2 reports to Jim Lentz.

3 Q. Okay.

4 How about the individuals  
5 below the line? Are there differences as  
6 well?

7 A. Below?

8 Q. Below Mr. Lentz?

9 A. Well, for instance, we have  
10 Don Esmond on here, Chris Hostetter --

11 Q. That's referring to Exhibit  
12 Number 42?

13 A. Yes. And Bob Daly. And  
14 then beneath that, you have a series of  
15 group vice presidents and the various  
16 operating departments in TMS.

17 These executive coordinators  
18 would be assigned to these different  
19 group vice presidents.

20 Q. I don't want to confuse you.  
21 I want you to pull out Exhibit Number 43.

22 Do you have that in front of  
23 you, sir?

24 A. Yes.

25 Q. Where does Exhibit Number 43

1 fit with respect to Exhibit Number 42?

2 MR. ROBINSON: 45; is that  
3 right?

4 THE WITNESS: 45 is the  
5 document that I'm looking at right  
6 now.

7 BY MR. PITRE:

8 Q. 45. Okay.

9 A. So, the cover sheet I have,  
10 or the top sheet for 43 right now, shows  
11 Chris Hostetter.

12 Q. That's correct. And that's  
13 where we left off.

14 A. And Chris Hostetter, on the  
15 far left-hand side, reports to Jim Lentz.  
16 So, this drop down includes all the vice  
17 presidents and corporate managers that  
18 are reporting to Chris Hostetter.

19 Q. And when you say "this," you  
20 are referring to Exhibit Number 43; is  
21 that correct?

22 A. Right.

23 Q. So, is it easier for you to  
24 explain the hierarchy at Toyota Motor  
25 Sales to make reference to Exhibit Number



1 45 and 43?

2 A. I think it would be helpful.

3 Q. All right.

4 Well, let's start with,  
5 then, Exhibit 45. Exhibit 45, you were  
6 saying the only difference there is  
7 you've got Jim Lentz, who is a direct  
8 subordinate to Mr. Inaba; is that  
9 correct?

10 A. He reports to Mr. Inaba,  
11 yes.

12 Q. Right.

13 And then right under the  
14 decision tree on Exhibit Number 45, under  
15 Lentz, you have Hostetter, Esmond and  
16 Daly; is that correct?

17 A. Yes.

18 Q. And let's take them one at a  
19 time. What do you understand is the "Adv  
20 Prod Strat/Prod."

21 What does that refer to?

22 A. Group vice president,  
23 advanced product strategy, product  
24 planning.

25 Q. Is there anybody on Exhibit

1 45 that has responsibilities for sudden  
2 acceleration events?

3 MS. DAWSON: Object to the  
4 form of the question. It's vague  
5 and ambiguous.

6 THE WITNESS: I don't  
7 understand the question.

8 BY MR. PITRE:

9 Q. Sure.

10 You have heard that there  
11 are something called sudden unintended  
12 acceleration events that have been  
13 alleged to have occurred regarding Toyota  
14 vehicles, correct?

15 A. Yes.

16 Q. And is there somebody within  
17 Toyota Motor Sales that's depicted here  
18 on Exhibit 45 that has any responsibility  
19 for handling customer complaints about  
20 that?

21 MS. DAWSON: Object to the  
22 form of the question, vague and  
23 ambiguous. And also, as you've  
24 framed this question, it's beyond  
25 the scope of this deposition

1 notice.

2 BY MR. PITRE:

3 Q. Go ahead.

4 A. So, if we're trying to  
5 determine who has responsibility for  
6 evaluating vehicle operations and  
7 warranty and parts and service  
8 activities, it would be under Fletcher  
9 Davidson.

10 Q. Fletcher Davidson?

11 A. Yes. And that's off chart  
12 45.

13 Q. Got it.

14 What is his title or  
15 position?

16 A. He's newly assigned, within  
17 the past 90 days, but as group vice  
18 president and customer services division  
19 CSD, which you had asked about earlier.

20 Q. Thank you.

21 Was there a customer service  
22 division before Mr. Davidson filled that  
23 position?

24 A. Yes.

25 Q. And how many group vice

1       presidents were there for that division  
2       before he was just assigned that  
3       position?

4             A.     He replaced one individual.

5             Q.     And what was his or her  
6       name?

7             A.     Her name was Jane Beseda.

8             Q.     How do you spell?

9             A.     Jane Beseda, B-E-S-E-D-A.

10            Q.     And where is Ms. Beseda now?

11            A.     Retired.

12            Q.     Where does she live, as best  
13       you last recall?

14            A.     Somewhere in southern  
15       California.

16            Q.     How long had she been with  
17       Toyota Motor Sales before she retired?

18            A.     I'm going to guess 18 years.  
19       It was in that neighborhood.

20            Q.     Okay.

21                    Now, just in terms of a  
22       description of what activities are  
23       conducted by the customer service  
24       division, can you describe them for me?

25            A.     Yes.   Actually, there's a

1 drop down chart in the Exhibit Number 43.

2 Q. Okay. Go ahead.

3 A. And there's a page for  
4 Fletcher. It's roughly in the middle.

5 Q. Because it looks like  
6 there's some pages. There's numbers.

7 A. Well, they are the same --  
8 unfortunately, they are the same numbers  
9 on the front. It says Fletcher Davidson,  
10 Renee Espino is his administrative  
11 assistant.

12 Q. What do you understand Mr.  
13 Davidson does in his newly created  
14 position?

15 MR. ARYA: Objection.

16 MS. DAWSON: Objection to  
17 the form of the question.

18 Mischaracterizes --

19 MR. ARYA: Misstates  
20 testimony. Sorry.

21 BY MR. PITRE:

22 Q. He just assumed this  
23 position within the last 90 days,  
24 correct?

25 A. Yes.

1 Q. All right.

2 What do you understand he  
3 does?

4 A. He supervises the  
5 departments beneath him.

6 Q. And what do those -- it says  
7 here "Dealer Operations," "Product  
8 Quality," "Corporate Accessories,"  
9 "Customer Relations."

10 Which of these departments  
11 or divisions do you understand handles  
12 complaints that come in from consumers or  
13 dealers dealing with sudden acceleration?

14 A. Well, there's two  
15 departments where that vehicle operation  
16 issue meet, develop. One is through the  
17 vice president of customer relations,  
18 which includes supervision of the 800  
19 line. The other is --

20 MR. BAILEY: I couldn't hear  
21 that.

22 THE WITNESS: Supervision of  
23 the 800 line.

24 BY MR. PITRE:

25 Q. Vice president of customer

1 relations, is that Nancy L. Fein?

2 A. Yes.

3 Q. And then what is the other  
4 one?

5 A. The other one would be vice  
6 president of product quality and service  
7 support, Bob Waltz.

8 MR. PITRE: Okay. Let's  
9 stop right there, because he has  
10 to change tape. I apologize.

11 MS. DAWSON: We've been  
12 going, do you want to take a  
13 break?

14 THE VIDEOTAPE TECHNICIAN:  
15 We're off the record. The time is  
16 2:39. This is the end of Tape 2.

17 - - -

18 (Whereupon, a recess was  
19 taken from 2:39 p.m. until  
20 2:56 p.m.)

21 - - -

22 THE VIDEOTAPE TECHNICIAN:  
23 We're on the record. The time is  
24 2:56 p.m.

25 This is the beginning of

1 Tape 3. Please proceed.

2 BY MR. PITRE:

3 Q. Thank you, sir.

4 We were back on Exhibit  
5 Number 43. Do you recall that, sir?

6 A. Yes.

7 Q. We were on the page  
8 referring to Robert Waltz and Nancy Fein.  
9 Do you recall that, sir?

10 A. Yes.

11 Q. Let's go back to the top  
12 here, Fletcher Davidson?

13 A. Yes.

14 Q. It says here, "Toyota  
15 Customer Services." Is that part of the  
16 customer relations department or is that  
17 a different department?

18 A. Customer relations is  
19 beneath that.

20 Q. When you say "Beneath that"?

21 A. Nancy Fein is the vice  
22 president for customer relations.

23 Q. Thank you.

24 What is your understanding  
25 of the difference between customer



1 services and customer relations?

2 A. The customer services  
3 division is more broadly applied to the  
4 different areas.

5 Q. And what does that entail?

6 A. The various departments  
7 beneath him. So, you have vice  
8 president, dealer operations, which is  
9 Dave Camden's area; you have Bob's area,  
10 product quality and service report; you  
11 have accessories, Elaine Matsuda; you  
12 have customer relations and then NAPO,  
13 which is the parts distribution network.

14 Q. What is your understanding  
15 of the department titled "Dealer  
16 Operations"? What does that do?

17 A. The dealer operations group  
18 is engaged in the parts and service  
19 merchandising area. They also administer  
20 warranty so that they are the department  
21 responsible for handling the parts and  
22 service activities of the dealership.

23 Q. Under the warranty, would  
24 that include both dealers who are under  
25 private distributors, as well as those

1 where there are Toyota franchises?

2 A. Yeah. I'm not exactly sure  
3 exactly how they engage with the private  
4 distributors in managing that, but the  
5 private distributor dealers are also  
6 responsible to use the parts and service  
7 warranty manual and comply with its  
8 requirements.

9 Q. Mr. Camden, is he located in  
10 the Torrance office?

11 A. He is.

12 Q. The next box over is "VP  
13 Product Quality and Service." Do I have  
14 that correct?

15 A. "Service Support."

16 Q. And what kind of activities  
17 take place within that particular  
18 division or department?

19 A. They monitor vehicle quality  
20 and vehicle operation issues, the field  
21 technical support activities handled out  
22 of that office in terms of diagnosing  
23 problems that are unusual in nature, the  
24 dealerships need assistance in diagnostic  
25 or repair activities.

1 Q. And is the field tech  
2 support department, is that under Mr.  
3 Waltz?

4 A. I'm not sure that's the  
5 exact way they refer to the department,  
6 but, yes.

7 Q. Individuals who go out in  
8 the field then and inspect vehicles or  
9 deal with issues regarding complaints, is  
10 that what you meant in terms of field  
11 tech support? I'm just trying to  
12 understand what you mean.

13 A. Well, the regional offices  
14 also have field tech specialists.

15 Q. Regional offices of Toyota  
16 Motor Sales?

17 A. Right.

18 Q. Okay.

19 A. And the private  
20 distributors. So, the dealers call into  
21 the regional offices first to get  
22 assistance since they're very familiar  
23 with the way things operate and they're  
24 trained to help with diagnostic and  
25 repair activities.

1 Q. And these regional offices  
2 are the 12 or so that you've described or  
3 are they more --

4 A. The ten.

5 Q. The ten?

6 A. The ten company-owned and  
7 two private distributors for Toyota and  
8 the four Lexus Western area or, excuse  
9 me, Lexus areas.

10 Q. Got it.

11 So these kind of field  
12 support offices are regional offices that  
13 coincide with the regions that you've  
14 described previously?

15 A. Yes.

16 Q. And then when the  
17 information comes from those regional  
18 offices back to Torrance, is that then  
19 Mr. Waltz and his group that handles  
20 that, right?

21 A. The --

22 MS. DAWSON: Objection to  
23 the form of the question.

24 BY MR. PITRE:

25 Q. Go ahead.

1           A.     That information channels  
2     back to Bob, but it's possible that if  
3     the field technical specialists in the  
4     regional offices need assistance, they  
5     would call Bob's department.

6           MS. DAWSON: Frank, this  
7     also is, per our discussion this  
8     morning, an area that's going to  
9     be addressed by another witness.

10          MR. ARYA: Tomorrow.

11          MR. PITRE: Great. Then  
12     we'll deal with it. This is  
13     somebody who will testify tomorrow  
14     apparently.

15     BY MR. PITRE:

16          Q.     But you've given me a  
17     general background?

18          A.     We're approaching the limits  
19     of my knowledge.

20          Q.     Fair enough. Fair enough.

21                 Let's move over to customer  
22     relations, Nancy Fein. Just give me a  
23     general description of what that  
24     department or division does?

25          A.     They manage the 800 line,

1 which is the number in all our product  
2 service manuals and at the dealerships.  
3 And if customers have complaints, whether  
4 they are sales or service oriented, they  
5 come in to her area. That doesn't  
6 necessarily need to be limited to  
7 telephone. They also respond to letters.  
8 And they work on resolving customer  
9 concerns or complaints.

10 Q. Now, I've heard the term  
11 "customer assistance center." Is that  
12 what you're referring to on the 800  
13 number?

14 A. Yes.

15 Q. To your knowledge, is  
16 Torrance kind of the office that  
17 maintains the database for all of these  
18 customer requests either through the 800  
19 line or through letters?

20 MR. ARYA: Objection, vague,  
21 ambiguous.

22 Go ahead.

23 THE WITNESS: We have a call  
24 center in Torrance, and Nancy  
25 oversees it.

1 BY MR. PITRE:

2 Q. So, Nancy, I take it, would  
3 be the one who would know what documents  
4 or what electronic data is stored or  
5 maintained; is that right? That's who  
6 you'd go to?

7 A. I'd start with her. She may  
8 need to defer to someone else.

9 Q. Just going back to product  
10 quality service and support, is that the  
11 group that you understand dealers also go  
12 to for questions?

13 A. There may be an access line  
14 for them, but typically they would work  
15 through the regional office, especially  
16 given the different time zones throughout  
17 the country.

18 Q. Is there a different  
19 department or division to handle  
20 questions or concerns or complaints from  
21 customers for Lexus vehicles as opposed  
22 to Toyota and Scion vehicles?

23 A. I don't know the answer to  
24 that.

25 Q. Just so I understand

1 generally, the difference between what I  
2 want to call what Mr. Waltz's department  
3 does and what Ms. Fein's department is,  
4 Ms. Fein deals with customers, meaning  
5 individuals who are out there, and Mr.  
6 Waltz deals more with dealerships or  
7 distributors? Is that a fair  
8 characterization based on your knowledge  
9 or not?

10 MR. ARYA: Objection, beyond  
11 the scope of this witness'  
12 designation.

13 If you know, you can answer.

14 BY MR. PITRE:

15 Q. If you know.

16 A. In simple terms, I would say  
17 yes.

18 Q. Okay. Thank you. We'll get  
19 into more detail tomorrow, and I  
20 appreciate your help.

21 Again, I'm just trying to  
22 cut through a lot of time here.

23 Based on Exhibit Number 43,  
24 is there anywhere depicted here  
25 individuals who are responsible for



1 product quality different from customer  
2 complaints, investigating quality issues  
3 or things of that nature?

4 MR. ARYA: Objection, beyond  
5 the scope of this witness'  
6 designation. Go ahead and answer  
7 if you know.

8 THE WITNESS: I think I  
9 already identified product quality  
10 and service support under Bob  
11 Waltz as an area that --

12 BY MR. PITRE:

13 Q. That's Bob Waltz again?

14 A. Yes.

15 Q. Got it. All right.

16 Now, I want to talk about  
17 what I want to call issues regarding  
18 product design or vehicle design. To  
19 your knowledge, within Toyota Motor  
20 Sales, are there any departments or  
21 division that deal with issues that come  
22 up regarding product design problems?

23 A. Specifically if we're  
24 talking about product engineering --

25 Q. Yes, sir?

1           A.     -- design, I would say that  
2 while they might be a conduit for  
3 information, the ultimate responsibility  
4 for that is TMC.

5           Q.     All right. As you mention  
6 in a conduit role, meaning, as I  
7 understand, they take information and  
8 pass it along to TMC. Is that what you  
9 meant by "conduit"?

10          A.     That's correct.

11          Q.     What departments or  
12 divisions serve in that conduit function  
13 as you've just described it?

14          A.     I would say information is  
15 primarily sourced through the product  
16 quality area.

17          Q.     And where is that?

18          A.     That's Bob Waltz again.

19          Q.     Again Mr. Waltz. Okay.

20          A.     There could be some overlap  
21 in integration with Nancy's area.

22          Q.     All right.

23                    Again, those two departments  
24 or divisions, generally speaking, as you  
25 understand it?